

REPORT
ON
SURVEY OF LABOUR CONDITIONS
IN
METAL FOUNDRY FACTORIES
IN INDIA



LABOUR BUREAU
MINISTRY OF LABOUR AND EMPLOYMENT
GOVERNMENT OF INDIA

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P R E F A C E

Industrial labour and its problems have been the subject of interest, though varying in degree and extent, ever-since India entered the industrial field over a century ago. Today, this interest has shifted from prevention of exploitation of labour to providing a fair deal and opportunities for a fuller life to labour. The growing realisation of this approach to problems of labour in India, in the context of present-day planned economic development of the country, is provided a sound base by the Surveys that reveal true conditions of labour.

The last detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee, appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the long-term strategy for economic and industrial advance recognises the well-being of the working class as an essential factor in the overall stability and progress of the country. The adoption of this policy, in the changed circumstances of the country, has brought about a new awakening in the ranks of labour and afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to appraise their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan, and its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries. This report presents data regarding the metal founding factories covered under the Scheme during 1960-61.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, seeks to fill the gap in the statistics of labour turnover and absenteeism in the factory industries and provides first hand information on certain important aspects of labour-management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a survey of this magnitude, it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases, the field staff had almost to build up the required statistics from various sources. This naturally imposed a heavy demand on the managements and the Bureau is deeply indebted to them for their whole-hearted co-operation.

The co-operation and valuable assistance received from associations of employers and workers, Labour Commissioners as well as Chief Inspectors of Factories and other Officials of State Labour Departments is also gratefully acknowledged.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Factories for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the schedule and instructions and offering useful suggestions. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Social Surveys Division, Ministry of Labour and Social Service, U.K., Economics and Research Branch, Department of Labour, Canada, and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting this Survey and bringing out the reports on individual industries was ably borne by Shri B. N. Srivastava, Deputy Director, whose experience and application came into full play in this assignment. On various statistical problems arising out of the Survey, the requisite technical advice was provided to him by other officers at the Headquarters.

This report was drafted by Dr. J. N. Mongia, who received valuable assistance from Shri K. L. Lamba, Investigator Grade I. Sarvashri Ramesh Madan and Rajender Pant, Computers, assisted in computation of data. The field investigations were carried out by Sarvashri S. S. Kaul, N. K. Basu, K. C. Sharma, R. K. Kapoor, S. Roy, N. D. Puri, R. L. Bembey, Kirpal Singh, P. C. Agarwal, R. C. Malhotra, H. G. Tehri, P. R. Madhvan, B. Raghavan and A. S. Joseph, under the supervision of Sarvashri R. N. Mukherjee, H. K. Gogna, Harbans Singh, G. B. Singh, H. G. Gupta and K. Lakshminarayanan. To these all my thanks are due.

The views expressed in this report are not those of the Ministry of Labour and Employment, Government of India.

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Director

LABOUR BUREAU, SIMLA

Dated the 6th February, 1965.

CHAPTER I

INTRODUCTION

The Metal Founding Industry, both in the field of ferrous and non-ferrous castings, is one of the most important basic engineering industries in the country. Its production range is no more confined to the manufacture of some conventional consumer goods like cast iron pans, weights and measures, pipes, sleepers for railways, municipal and conservancy requirements, etc. Today, the sphere of the Industry extends to manufacture of heavy and intricate castings for machine building industry. Viewed from the point of view of rapid industrialisation of the country, the Industry has assumed the character of a basic industry of vital importance.

1.1 Growth and Location of the Industry—

In India, the Industry is of no recent origin and can be considered to be one of the country's oldest industries. It was in metal founding factories that the various metals extracted in India since long were being cast into required forms. Prior to the World War II, on account of easy imports from industrially advanced countries of the West, the indigenous industry could not make much headway. The additional demands generated by the War and the restrictions on imports created favourable conditions for the development of the Industry which established itself during this period. Even during the post-war period, the Industry could maintain its tempo of growth as the reduction in war requirements was more than off-set by the increased domestic demand. By 1951, there were about 347 metal founding factories* providing employment to nearly 20,800 workers. The planned era further helped the development and expansion of the Industry, and by about 1961, there were as many as 540 factories* employing about 40,757 workers.

Statement 1.1 shows the State-wise distribution of metal founding factories in the country, together with the average number of workers employed therein, during 1961.

*Registered under the Factories Act.

STATEMENT 1.1

*State-wise Distribution of Metal Founding Factories and Number of
Workers Employed therein
(During 1961)*

| Serial No. | State | | | | | Number of Factories* | Average Daily Employment |
|---------------|----------------|----|----|----|----|-------------------------|-----------------------------|
| 1 | 2 | | | | | 3 | 4 |
| 1 | Andhra Pradesh | .. | .. | .. | .. | 11 | 220 |
| 2 | Assam | .. | .. | .. | .. | 2 | 98 |
| 3 | Bihar | .. | .. | .. | .. | 6 | 1,473 |
| 4 | Delhi | .. | .. | .. | .. | 44 | 1,676 |
| 5 | Gujarat | .. | .. | .. | .. | 28 | 467 |
| 6 | Kerala | .. | .. | .. | .. | 1 | 50 |
| 7 | Madhya Pradesh | .. | .. | .. | .. | 6 | 1,161 |
| 8 | Mysore | .. | .. | .. | .. | 25 | 804 |
| 9 | Madras | .. | .. | .. | .. | 20 | 1,037 |
| 10 | Maharashtra | .. | .. | .. | .. | 74 | 6,558 |
| 11 | Orissa | .. | .. | .. | .. | 3 | 155 |
| 12 | Punjab | .. | .. | .. | .. | 42 | 817 |
| 13 | Rajasthan | .. | .. | .. | .. | 11 | 227 |
| 14 | Uttar Pradesh | .. | .. | .. | .. | 76 | 2,403 |
| 15 | West Bengal | .. | .. | .. | .. | 191 | 23,611 |
| Total | | | | | .. | 540 | 40,757 |

*Registered under the Factories Act, 1948.

Source. Annual Returns under the Factories Act, 1948.

It would be seen from the Statement (1.1) that the Industry is mainly localised in the State of West Bengal which alone accounts for about 35 per cent. of the total factories and nearly 58 per cent. of the total employment in the Industry. Other States where the number of factories located is fairly high are Uttar Pradesh and Maharashtra followed by Delhi and Punjab.

1.2. Genesis of the Survey—

The first comprehensive survey of conditions of labour in various industries in India, on a country-wide basis, was conducted by the Royal Commission on Labour during 1928-31. Its reports and findings formed the basis of various ameliorative measures. After a lapse of over a decade, i.e., in 1944, the Government of India appointed another committee, viz., the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted detailed investigations in 38 industries during 1944-45 and, besides a main report on Labour Conditions in general, published individual reports in respect of various industries. These reports proved to be a useful source of information required for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were introduced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in conditions of work and wages in various industries. Above all, the attainment of Independence by the country gave a new status to the working classes. In view of these developments, the Ministry of Labour as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted so that it may be possible to assess the

effects of the various measures adopted in the past and obtain a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a survey of labour conditions was included in the Second Five Year Plan, and the Labour Bureau was entrusted with the execution of the Scheme.

1.3 Scope and Design—

A note attached to the report (Appendix) gives details relating to the sample design and method of estimation adopted. In view of the absence of a complete list of all metal founding factories, the Survey was confined to establishments registered under the Factories Act, 1948. The list of registered factories for the year 1958, which was used as the frame for the Survey, indicated concentration of metal founding factories in 24-Parganas and Howrah districts of West Bengal. It was, therefore, decided to treat 24-Parganas and Howrah districts as a separate regional stratum and club the rest of the factories in the Industry to form the Residual Stratum. Earlier investigations had indicated the existence of wide variations in conditions of work, standard of welfare amenities, etc., in the establishments of different size-groups in various industries. It was, therefore, considered desirable to collect data separately for establishments of different sizes. In the light of the resources available and from the point of view of practicability, it was decided that for the purposes of the Survey, units in the industry may be divided into two size groups—large and small. The sampling fraction adopted was 33.3 per cent. for all large-size factories in the Industry, 16.7 per cent. and 20 per cent. for small-size factories in '24-Parganas and Howrah' centre and the Residual Group respectively. Further details relating to sample design and method of estimation adopted appear in the Appendix.

Statement 1.2 shows the number of metal founding factories together with the number of workers employed therein (a) in the frame, (b) in the sample, and (c) in the sample actually covered.

STATEMENT 1.2

Number of Factories and Workers in the Frame, Sample, etc.

| Centre | In the Frame (1958)* | | In the Sample Selected | | In the Sample Actually Covered | |
|---------------------------|-------------------------|----------------------|---------------------------|----------------------|-----------------------------------|----------------------|
| | Number of Factories | Number of Workers | Number of Factories | Number of Workers | Number of Factories | Number of Workers |
| | 3 | | 4 | 5 | 6 | 7 |
| 1. 24-Parganas and Howrah | 134 | 18,298 | 30 | 4,469 | 29 (21.64) | 4,413 (24.12) |
| 2. Residual | 255 | 11,517 | 58 | 2,638 | 48 (18.82) | 2,510 (21.79) |
| 3. All-India | 389 | 29,815 | 88 | 7,107 | 77 (19.79) | 6,923 (23.22) |

NOTE—Figures within brackets in Columns (6) and (7) are percentages to the total number of factories and workers as given in columns (2) and (3) respectively.

*The sample was drawn from the list of factories for 1958, registered under the Factories Act. For a few States for which the 1958 list was not available at the time of drawings the sample, the 1957 list was used for the purpose.

From the figures given in the Statement (1.2), it would be seen that the Survey ultimately covered nearly 20 per cent. of the metal founding factories and about 23 per cent. of the workers employed therein. Since only those factories as featured in the frame were included in the sample and it was not possible to take into account factories which came into being till the start and during the period of the Survey, the information given in the Report should be treated to relate to conditions in the factories which were in existence during the period to which the frame relates and which continued to exist till the time of the Survey.

The data were collected by personal visits of the field staff of the Bureau. With a view to testing the schedule and instructions prepared for the Survey as also to impart training to the field staff, a pilot enquiry was conducted in September and October, 1959. On the basis of the experience of this enquiry, the schedule* and instructions were suitably revised. The main field enquiry was launched in late December, 1959 and ended in June, 1961. Since the enquiry in essence was during 1960 and 1961, the data, except where specifically mentioned otherwise, should be treated to relate to this period.

*The schedule used for the Survey has been published in the Reports on the Survey of Labour Conditions in Silk and Jute Industries.

CHAPTER II EMPLOYMENT

During the course of the present Survey, in order to ensure comparability, data in respect of employment were collected from the sampled establishments for a specified date, i.e., 31st December, 1959. On the basis of these data, the total employment strength of the factories registered under the Factories Act, as on 31st December, 1959, is estimated to be about 31,350. This estimate, however, differs from the corresponding statistics of the Factories Act, (32,191) for the year 1959, the main reason for the difference being that the former represents the estimate based on the actual number of persons on roll on a particular date whereas the latter is the average daily employment for the whole year. Besides, the Survey estimate, as already stated in Chapter I, relates only to those factories which were in existence in 1958 and continued to exist till the time of the Survey.

2.1. *Composition of Working Force—*

2.1.1. *Distribution by Broad Occupational Groups—*

As per the International Standard Classification of Occupations, recommended by the I.L.O., workers in the Metal Founding Industry were classified into the following categories, for the purposes of the present Survey:—

- (a) Professional, Technical and Related Personnel.
- (b) Administrative, Executive and Managerial Personnel.
- (c) Clerical and Related Workers (including supervisory).
- (d) Production and Related Workers (including supervisory).
- (e) Watch and Ward and Other Services.

Statement 2.1 gives details in respect of the number of workers on rolls, in the above-mentioned occupational groups as revealed by the Survey.

The Statement (2.1) shows that an overwhelming majority of the working force in the Industry belonged to the group 'Production and Related Workers (including supervisory)', their percentage to the total being nearly 88. 'Watch and Ward' and 'Clerical and Related Workers' did not form any sizeable proportion and they together accounted for about 9 per cent. The proportion of various groups in the two strata viz., '24-Parganas and Howrah' and the Residual Group were more or less the same.

STATEMENT 2.1

Estimated Percentage Distribution of Workers by Broad Occupational Groups (December, 1959)*

| Centre | Estimated Total Number of Workers | Profes- sional, Technical and Related Personnel | Adminis- trative, Executive and Managerial Personnel | Clerical and Related Workers (including Supervi- sory) | Production and Related Workers (including Supervi- sory) | Watch and Ward and Other Services |
|---------------------------|--|--|---|--|--|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1. 24-Parganas and Howrah | 17,852 | 1.3 | 1.1 | 3.7 | 89.9 | 4.0 |
| 2. Residual | 13,500 | 1.9 | 0.9 | 5.1 | 86.7 | 5.4 |
| 3. All-India | 31,352 | 1.6 | 1.0 | 4.3 | 88.5 | 4.6 |

*Figures relate to workers covered as well as those not covered under the Factories Act,

2.1.2. Distribution of Workers by 'Covered' and 'Not Covered' under the Factories Act—

The Factories Act, 1948 defines 'worker' as a "person employed, directly or through any agency whether for wages or not, in any manufacturing process, or in cleaning any part of the machinery or premises used for a manufacturing process, or in any other kind of work incidental to or connected with the manufacturing process, or the subject of manufacturing process.....". During the course of the Survey, it was observed that there was no uniformity with regard to the interpretation of the above definition of 'worker' and consequently, while some units had included certain categories of employees (particularly Administrative, Executive and Managerial Personnel and Watch and Ward and Other Services) among those covered under the Factories Act, others tended to exclude them. Such workers as were not covered under the Factories Act formed only a small proportion of the total, their proportion in factories in '24-Parganas and Howrah' and the Residual Group being more or less the same. Details of workers covered and not covered in different broad occupational groups are given in Statement 2.2.

STATEMENT 2.2

Estimated Percentage of Workers Covered and Not Covered under the Factories Act, 1948

(December, 1959)

| Centre | Professional, Technical and Related Personnel | | Administrative, Executive and Managerial Personnel | | Clerical and Related Workers (including Supervisory) | |
|---------------------------|---|-------------|--|-------------|--|-------------|
| | Covered | Not Covered | Covered | Not Covered | Covered | Not Covered |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1. 24-Parganas and Howrah | 93.4 | 6.6 | 57.6 | 42.4 | 83.1 | 16.9 |
| 2. Residual | 89.2 | 10.8 | 65.2 | 34.8 | 97.8 | 2.2 |
| 3. All-India | 91.2 | 8.8 | 60.5 | 39.5 | 90.6 | 9.4 |

| Centre | Production and Related Workers (including Supervisory) | | Watch and Ward and Other Services | | Total | |
|---------------------------|--|-------------|-----------------------------------|-------------|---------|-------------|
| | Covered | Not Covered | Covered | Not Covered | Covered | Not Covered |
| 1 | 8 | 9 | 10 | 11 | 12 | 13 |
| 1. 24-Parganas and Howrah | 100.0 | — | 84.3 | 15.7 | 98.2 | 1.8 |
| 2. Residual | 100.0 | — | 89.3 | 10.7 | 98.8 | 1.2 |
| 3. All-India | 100.0 | — | 86.8 | 13.2 | 98.5 | 1.5 |

It would appear that there was no difference of opinion in respect of 'Production and Related Workers' as all such workers were uniformly being treated as covered under the Factories Act. The proportion of workers 'not covered' was the highest (40 per cent.) in the group Administrative, Executive and Managerial Personnel.

2.2. Employment of Women—

The employment of women in the Industry was not at all significant although they were found employed in about 10 per cent. of the factories. Of the total women workers in the industry more than two-thirds were

employed in factories in '24-Parganas and Howrah' and the rest in the Residual Group. Female workers were found to be generally employed in large factories which accounted for about 96 per cent. of their total employment in the Industry. Details appear in Statement 2.3.

STATEMENT 2.3

Estimated Proportion of Women Workers in the Metal Founding Industry (December, 1959)

| Centre | Total Number of Factories* | Percentage of Factories Employing Women | Total Number of Workers† Employed | Percentage of Women Workers | Percentage of Women Workers in the Centre to the total in the Industry |
|---------------------------|----------------------------------|--|--|-----------------------------------|--|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. 24-Parganas and Howrah | 121 | 17·8 | 17,852 | 0·4 | 67·8 |
| 2. Residual | 211 | 6·3 | 13,500 | 0·3 | 32·2 |
| 3. All-India | 332 | 10·5 | 31,352 | 0·4 | 100·0 |

*The number of factories given here is different from that given in Statement 1·2 due to the fact that only those factories were covered which continued to exist till the time of the Survey.

†Both covered and not-covered under the Factories Act.

Data were also collected in respect of the distribution of women workers into broad occupational groups. It was found that as many as 96·5 per cent. of the women workers in the Industry were employed as 'Production and Related Workers' and the rest on 'Watch and Ward and Other Services'. As regards the nature of work done by women, female production workers were engaged on such jobs as sorting of iron pieces from the dust, cleaning of cast iron pans, breaking of coal, grinding, etc. In the group 'Watch and Ward and Other Services', females were employed as sweepers. No particular reason was advanced by the employers for their employment except that the work being of light nature, women workers could be employed profitably.

2.3. *Child Labour—*

During the course of the Survey, none of the sampled units were found to be employing child labour.

2.4. *Time and Piece-rated Workers—*

Statement 2.4 gives the distribution of 'Production Workers' by method of payment.

It will be seen that, in the Industry as a whole, a majority of the 'Production Workers' (about 71 per cent) were employed on time rate basis while the rest (29 per cent) were piece-rated workers. While, in the Residual Group, only a small proportion of the production workers were piece-rated, in '24-Parganas and Howrah' centre, this percentage was as high

STATEMENT 2.4

Estimated Percentage Distribution of Production Workers by Method of Payment
(December, 1959)

| Centre | Total Number of Production Workers* | Percentage of Workers Employed as | | Percentage Distribution of Workers by Sex and Method of Payment | | | |
|---------------------------|--|--------------------------------------|-----------------|--|-----------------|----------------|-----------------|
| | | Time- rated | Piece- rated | Men | | Women | |
| | | | | Time- rated | Piece- rated | Time- rated | Piece- rated |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1. 24-Parganas and Howrah | 16,057 | 53.3 | 46.7 | 53.1 | 46.9 | 100.0 | — |
| 2. Residual .. | 11,702 | 95.8 | 4.2 | 95.8 | 4.2 | 100.0 | — |
| 3. All-India .. | 27,759 | 71.2 | 28.8 | 71.1 | 28.9 | 100.0 | — |

*Covered under the Factories Act including contract labour.

as about 47. As between large and small factories, comparatively more workers were employed on time-rate basis in the latter factories. It is significant to note that all the women workers were time-rated.

2.5. *Contract Labour*—

Details about the extent of workers employed through contractors have been presented in Statement 2.5.

STATEMENT 2.5

Estimated Proportion of Workers Employed Through Contractors
(December, 1959)

| Centre | Total number of Factories | Percentage of Factories employing Contract Labour | Total number of Production Workers* in the Industry | Percentage of Production Workers Employed through Contractors |
|---------------------------|------------------------------|---|--|--|
| 1 | 2 | 3 | 4 | 5 |
| 1. 24-Parganas and Howrah | 121 | 24.6 | 16,057 | 37.3 |
| 2. Residual | 211 | 6.3 | 11,702 | 2.4 |
| 3. All-India | 332 | 13.0 | 27,759 | 22.6 |

*Covered under the Factories Act including contract workers.

It will be seen from the Statement 2.5 that the system of employing workers through contractors was prevalent in about 13 per cent. of the metal founding factories and such workers formed about 23 per cent. of the total 'Production Workers' in the Industry. They were mainly employed in '24-Parganas and Howrah' centre where they constituted about 37 per

cent. of the total 'Production Workers' as against only a small proportion in the Residual Group of factories. It was generally found that in both the centres the system of employing workers through contractors was more popular in large factories than in small ones.

Contract labourers were generally engaged on such jobs as manufacture of cast iron sleepers for railways, moulding, casting, loading and unloading, sand mixing and clipping, etc. The main reason advanced by the managements for the employment of contract workers was that the jobs on which they were employed were of a casual or *ad hoc* nature as their duration was conditioned by the quantum of work orders received from time to time and the availability of raw materials.

2.6. Employment Status—

During the course of the Survey, information pertaining to the classification of 'Production Workers' into different categories of employment status was collected in respect of workers covered under the Factories Act and employed directly. Such information appears in Statement 2.6. It may be stated that the classification of workers into permanent, temporary, etc., is generally regulated by the Standing Orders framed by the managements in pursuance of the Industrial Employment (Standing Orders) Act, or some of the State Acts, e.g., the Bombay Industrial Relations Act, 1946. However, in units where framing of Standing Orders was not obligatory or had otherwise not been framed, reliance had to be placed on the version of the managements with regard to the employment status of their workers.

STATEMENT 2.6

Estimated Percentage Distribution of 'Production and Related Workers' Employed Directly by Employment Status

(December, 1959)

| Centre | Estimated Total number of Produc- tion Workers* | Percentage of | | | | | |
|------------------------------|--|---------------------------|-------------------|----------------------|--------|-------------------|------------------|
| | | Perma- nent Workers | Proba- tioners | Temporary Workers | Badlis | Casual Workers | Appren- tices |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1. 24-Parganas and Howrah | 10,061 | 75.7 | 0.3 | 15.7 | — | 5.7 | 2.6 |
| 2. Residual .. | 11,420 | 61.8 | 1.0 | 28.2 | — | 0.1 | 8.9 |
| 3. All-India .. | 21,481 | 68.3 | 0.7 | 22.4 | — | 2.7 | 5.9 |

*Covered under the Factories Act excluding contract workers.

In the Industry, as a whole, about 68 per cent. of the workers were permanent, about 22 per cent. temporary and the rest were apprentices, casual workers, probationers, etc. The proportion of permanent workers was higher in '24-Parganas and Howrah' centre (about 76%) than in the Residual Group (about 62%).

2.7. Length of Service—

During the course of the Survey, a study of the distribution of workers according to their length of service was made in respect of 'Production Workers' covered under the Factories Act and employed directly by the managements. Data are presented in Statement 2.7.

STATEMENT 2.7

*Estimated Percentage Distribution of Production and Related Workers,
Employed Directly According to Length of Service
(December, 1959)*

| Centre | Estimated Total Number of Production Workers* | Percentage Distribution of Workers with length of Service of | | | |
|---------------------------|---|---|---|---|-----------------------|
| | | Under 1 year | 1 year and above but less than 5 years | 5 years and above but less than 10 years | 10 years and above |
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. 24-Parganas and Howrah | 10,061 | 25.5 | 40.1 | 19.2 | 15.2 |
| 2. Residual | 11,420 | 36.5 | 40.3 | 14.1 | 9.1 |
| 3. All-India | 21,481 | 31.4 | 40.2 | 16.5 | 11.9 |

*Covered under the Factories Act excluding contract workers.

In the Industry, as a whole, it is estimated that, on 31st December, 1959, about 31 per cent. of the 'Production Workers' had less than one year's service and nearly 12 per cent. had more than 10 year's service to their credit. The rest of the workers constituted the intermediate group. The working force seemed to be comparatively more stable in '24-Parganas and Howrah' centre than in the Residual Group of factories. This inference is further substantiated by the data collected in respect of labour turnover and discussed elsewhere in this Chapter.

2.8. *Absenteeism*—

Data pertaining to absenteeism were collected only in respect of 'Production Workers' employed directly, excluding *badli* and casual workers. The information collected for the 12 months of 1959 is presented in Statement 2.8.

STATEMENT 2.8

Estimated Absenteeism Rate in the Metal Founding Industry.*

(During 1959)

| Month | 24-Parganas and Howrah | Residual | All-India |
|---------------------|---------------------------|----------|-----------|
| 1 | 2 | 3 | 4 |
| January | 9.4 | 10.0 | 9.7 |
| February | 10.3 | 11.9 | 11.3 |
| March | 12.9 | 13.2 | 13.1 |
| April | 15.1 | 14.7 | 14.9 |
| May | 18.9 | 16.4 | 17.4 |
| June | 18.2 | 14.1 | 15.9 |
| July | 13.1 | 12.0 | 12.5 |
| August | 10.9 | 10.5 | 10.7 |
| September | 9.7 | 11.0 | 10.4 |
| October | 15.3 | 9.5 | 11.7 |
| November | 13.4 | 12.0 | 12.6 |
| December | 11.4 | 10.0 | 10.6 |
| Average, 1959 | 13.2 | 12.1 | 12.6 |

*Percentage of man-days lost to the man-days scheduled to work.

In the Industry, as a whole, the absenteeism rate varied from about 10 per cent. in January to about 17 per cent. in May, the average for the year (1959) being about 13 per cent. As between the factories in '24-Parganas and Howrah' centre and the Residual Group, though the monthly rates of absenteeism varied widely, the average for the year 1959 was more or less the same, i.e., about 13 and 12 per cent. respectively.

Since the record of absences by causes was usually not kept by the managements, it was not possible to collect statistics of absences by causes. However, the monthly variations in the absenteeism rate could be largely due to such factors as harvesting, sowing, marriages and other religious and social functions.

The information collected shows that only four of the factories surveyed had adopted some measures to curb absenteeism in their establishments. In two of these units, the grant of weekly off with pay was linked with the number of attendances. In another unit, all the 'Production Workers' were being paid attendance bonus at the rate of 2 annas per attendance. In the remaining unit, three prizes of Rs. 25, Rs. 15 and Rs. 5 were being awarded each year to three workers adjudged best in being regular. Excepting last unit, the managements of other three units were of the view that the measures adopted by them had the desired effect of curbing absenteeism.

2.9. Labour Turnover—

Data in respect of labour turnover for 'Production Workers' (excluding unpaid apprentices and casual workers) were also collected during the course of the Survey. The information collected for the 12 months of 1959 is presented in Statement 2.9.

STATEMENT 2.9

Estimated Monthly Rates of Accession and Separation (In percentages) (During 1959)

| Month | Rate of Accession | | | Rate of Separation | | |
|---------------|------------------------------|----------|-----------|------------------------------|----------|-----------|
| | 24-Parganas and Howrah | Residual | All-India | 24-Parganas and Howrah | Residual | All-India |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| January .. | 2.7 | 4.9 | 3.9 | 3.8 | 4.2 | 4.0 |
| February .. | 3.7 | 9.2 | 6.6 | 4.0 | 8.8 | 6.0 |
| March .. | 4.6 | 6.6 | 5.6 | 4.5 | 7.2 | 6.0 |
| April .. | 3.1 | 6.2 | 4.8 | 3.4 | 6.9 | 5.2 |
| May .. | 3.7 | 11.6 | 7.9 | 3.2 | 5.4 | 4.4 |
| June .. | 3.2 | 8.0 | 5.8 | 3.9 | 7.2 | 5.7 |
| July .. | 4.7 | 7.5 | 6.1 | 5.3 | 7.7 | 6.5 |
| August .. | 3.4 | 5.3 | 4.4 | 2.5 | 5.7 | 4.2 |
| September .. | 2.1 | 7.1 | 4.8 | 1.8 | 6.0 | 4.0 |
| October .. | 2.1 | 7.2 | 4.9 | 1.3 | 6.8 | 4.3 |
| November .. | 3.4 | 7.6 | 5.7 | 4.6 | 5.8 | 5.3 |
| December .. | 2.6 | 6.5 | 4.8 | 4.6 | 5.4 | 5.1 |
| Average, 1959 | 3.3 | 7.3 | 5.4 | 3.6 | 6.4 | 5.1 |

Both accession and separation rates in the Industry as a whole, were not too high, being of the order of about 5 per cent. each. As between different months, the accession rate ranged between about 4 per cent. in January to about 8 per cent. in May and the separation rate varied from about 4 per cent. in January and December to about 7 per cent. in February.

It would appear that the working force was more stable in factories in '24-Parganas and Howrah' centre where the average monthly accession and separation rates were nearly half to those in the Residual Group. In general, the accession and the separation rates were higher in small factories.

An attempt was made to collect the separation by causes also but it was found that the managements did not maintain any records in this connection and hence reliance had to be placed on their version. From the information presented in Statement 2.10, it would appear that about 64 per cent. of the separations in the Industry were due to quits* and nearly 35 per cent. on account of dismissal and discharge.

STATEMENT 2.10
Estimated Percentage Distribution of Separations by Causes
(December, 1959)

| Centre | | Causes | | |
|---------------------------|-------|----------------------------|-------|------------------------|
| | | Discharge or Dismissals | Quits | Retirement or Death |
| 1 | | 2 | 3 | 4 |
| 1. 24-Parganas and Howrah | | 38.6 | 58.9 | 2.5 |
| 2. Residual | | 32.7 | 67.1 | 0.2 |
| 3. All-India | | 34.6 | 64.4 | 1.0 |

2.10. System of Recruitment—

The most usual practice in the Industry was to make recruitment directly by the managements. As on 31st December, 1959, about 93 per cent. of the workers in the Industry were found having been so recruited—78 per cent. at the factory gate, 9 per cent. through labour offices, and the rest (i.e., 6%) through departmental heads. Services of departmental heads and labour offices for recruitments were being utilised by large factories only in both the centres as small factories generally did not have such agencies. Only a small proportion of the workers (about 6%) had been recruited through managing directors, proprietors or head offices and they were mostly Clerical and Watch and Ward staff. Those recruited through jobbers or mistries or Employment Exchanges constituted a negligible proportion.

2.11. Training and Apprenticeship—

The system of providing training facilities for workers existed in about 26 per cent. of the factories in the Industry. The proportion of units providing such facilities was higher in the Residual Group (about 31%) than in '24-Parganas and Howrah' centre (about 17%). With the exception of two factories surveyed in '24-Parganas and Howrah' centre, accounting for

*Quits are termination of employments initiated by employees because of a acceptance of jobs elsewhere, dissatisfaction, marriage, maternity, ill health, unauthorised absence, etc.

about 7 per cent. of the factories providing training, in all other units, the training facilities were being provided on an *ad hoc* basis and no regular scheme existed at all. Apprentices were generally being trained as turners, moulders, fitters, welders, grinders, machinists, core makers, etc.

With the exception of a few units where training facilities existed only to provide training to the unskilled new entrants, in all other units, the facilities were open to general public and, usually, persons who had already received some training in a government institution were preferred. The period of training varied from unit to unit depending upon the degree of proficiency aimed and the nature of training. While, in a few units the period was not fixed, in others it varied from 3 months to 5 years. Excepting a few units, the trainees in others were paid some remuneration for the duration of the training, the amount of which varied from Re. 0.50 to Rs. 2.90 per day. Employment after completion of training was guaranteed in about 38 per cent. of the units providing this facility.

CHAPTER III

WAGES AND EARNINGS

3.1. *Wage Revisions*—

Information collected during the course of the Survey indicates that there has been no standardisation of wage rates in the Industry either on an all-India or regional basis and the wage structure, as existing at the time of the Survey, was the result of isolated cases of collective bargaining, conciliation, adjudication, etc. For purposes of studying the recent influences on the wage structure, information was collected regarding the wage revisions which took place in the sampled establishments, since 1956, and the methods through which such revisions were effected. The results show that, since 1956, wage rates had been revised in about 18 per cent. of the factories in the Industry as a whole. Such revisions had taken place only once in nearly 72 per cent. of them, twice in about 15 per cent. and thrice in the rest (i.e., 13%). As regards the methods followed for wage revisions, about 34 per cent. of the revisions were due to voluntary increase in wages allowed by the managements, approximately 29 per cent. were as a result of mutual agreements between the employees and the employers, nearly 23 per cent. through conciliation proceedings and the rest (i.e., about 14%) were based on adjudication awards. The proportion of factories where wage revisions had taken place was higher in the Residual Group (about 23%) than in '24-Parganas and Howrah' centre (about 10%).

3.2. *Pay Periods*—

Information about the different pay periods prevalent in the Industry, is given in Statement 3.1. In most of the units employing contract workers, information regarding pay period of persons employed through contractors could not be ascertained as no records were available and hence the information given here relates to only persons employed by the managements directly.

STATEMENT 3.1
Estimated Percentage Distribution of Workers According to Pay Periods*
in the Metal Founding Industry
(December, 1959)

| Centre | | | | Percentage of workers whose pay period was | | |
|---------------------------|----|----|----|--|-----------|--------|
| | | | | Month | Fortnight | Week** |
| 1 | | | | 2 | 3 | 4 |
| 1. 24-Parganas and Howrah | .. | .. | .. | 36.7 | 1.5 | 61.8 |
| 2. Residual | .. | .. | .. | 91.7 | 2.8 | 5.5 |
| 3. All-India | .. | .. | .. | 65.9 | 2.2 | 31.9 |

*Covered under the Factories Act and employed directly.

**Including few workers (0.8% in Residual and 0.4% in All-India) paid after every 10 days.

It would be seen that, in the Industry as a whole, a majority of the workers (nearly 66%) were receiving their wages every month. Those who received their pay packets every week constituted about 32 per cent., including a few workers whose wages were being paid after every 10 days. Pay period for the rest of the workers (*i. e.* 2%) was a fortnight. There was a notable difference, in this respect, between the factories located in '24-Parganas and Howrah' centre and those constituting the Residual Group. While, in the former, a majority of the workers (about 62%) received their earnings every week, in the latter, the pay period for an overwhelming majority (about 92%) was a month.

3.3. Earnings—

During the course of the Survey, information relating to man-days worked and the basic wages, dearness allowance and other allowances earned by workers during one pay period immediately preceding the specified date (*i.e.* 31st December, 1959) was collected from each of the sampled units. The data were collected in respect of workers covered under the Factories Act according to the broad categories of 'All Workers', 'Production Workers' (employed directly), 'Lowest-paid Production Workers', 'Clerical and Related Workers' and 'Watch and Ward and Other Services'. Since 'Production Workers' constituted the bulk of the working force, information in respect of such workers was collected separately for men and women. Data relating to earnings of workers by occupations were, however, not collected as the Labour Bureau had already conducted a detailed occupational wage survey in 1958-59.

3.3.1. Earnings of 'All Workers' and 'Production Workers'—

On the basis of information collected, it is estimated that, during December, 1959, the average daily earnings of 'All Workers' in the Metal Founding Industry were Rs. 3.67. The details about the average daily earnings of 'All Workers' and 'Production Workers', are given in Statement 3.2.

STATEMENT 3.2
Estimated Average Daily Earnings of Workers in the Metal Founding Industry
(December, 1959)

| Centre | All Workers* | Production Workers** | | |
|--------------------------|--------------|----------------------|-------|------|
| | | Men | Women | All |
| | 2 | 3 | 4 | 5 |
| 1. 24-Pargana and Howrah | 51 | 3.33 | 2.24 | 3.33 |
| 2. Residual .. | 3.84 | 3.64 | 3.33 | 3.64 |
| 3. All-India .. | 3.67 | 3.50 | 2.57 | 3.49 |

*All Workers covered under the Factories Act.

** Covered under the Factories Act and employed directly.

'Production and Related Workers' on the average, earned Rs. 3.49 per day *i.e.*, about 5 per cent. less than 'All Workers'. Higher earnings of 'All Workers' were obviously on account of the impact of the high salaries received by the managerial, technical and administrative personnel included in this group. Amongst 'Production Workers', the average daily earnings of women workers were Rs. 2.57 as against Rs. 3.50 for male workers. The lower average daily earnings of female workers could be attributed

to the fact that they were mostly employed on occupations which carried lower wage rates. It would be seen that the average daily earnings of 'All Workers', as also of 'Production Workers' were higher in the Residual Group than in '24-Parganas and Howrah' centre, the difference being of the order of about 9 per cent. for each category. Generally, it was observed that earnings of workers were higher in large factories than in the small ones.

3.3.2. Earnings of Lowest-Paid Production Workers—

Data in respect of the earnings of the lowest-paid 'Production Workers' were collected separately for those employed directly by managements as well as through contractors though, in respect of the latter, information could not be collected from all the units surveyed due to non-availability of records. Information collected further shows that these 'Production Workers' were employed as *Mazdoors* for various unskilled jobs such as blowing, sand mixing, etc. The average daily earnings of the lowest-paid 'Production Workers' *vis-a-vis* 'Production Workers' and 'All Workers' are given in Statement 3.3.

STATEMENT 3.3

Estimated Average Daily Earnings of Lowest-Paid 'Production Workers'
(December, 1959)

(In Rupees)

| Centre | Average daily earnings of | | | | |
|---------------------------|---------------------------|------------------|-------------|--------------------------------------|-------------------------------|
| | Lowest-paid | | | 'Production Workers' in the Industry | 'All Workers' in the Industry |
| | Direct Workers | Contract Workers | All Workers | | |
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. 24-Parganas and Howrah | 2.56 | 2.28 | 2.53 | 3.33 | 3.51 |
| 2. Residual | 2.66 | 2.02 | 2.65 | 3.64 | 3.84 |
| 3. All-India | 2.61 | 2.25 | 2.58 | 3.49 | 3.67 |

It would be seen from the Statement 3.3 that the average daily earnings of the lowest-paid 'Production Workers' formed about 74 and 70 per cent. of those of the 'Production Workers' and 'All Workers' respectively. Like some other categories of workers, as already mentioned, the lowest-paid 'Production Workers' in the Residual Group earned more than their counterparts in '24-Parganas and Howrah' centre. Further, the average daily earnings of these workers were higher in large factories than in the small ones.

The lowest-paid contract workers earned less than their counterparts employed directly. In the Industry, as a whole, their average daily earnings were Rs. 2.25 as against Rs. 2.61 for direct workers.

3.3.3. Earnings of Clerical and Watch and Ward Staff—

The average daily earnings of 'Clerical and Related Workers' in the Metal Founding Industry have been estimated to be higher than those of 'All Workers' and 'Production Workers'. Such workers, on an average, earned about Rs. 5.17 per day. As regards 'Watch and Ward Staff' and persons in 'Other Services', they, on an average, earned Rs. 2.84 per day and compared well with the earnings of 'All Workers' and 'Production Workers'. Details appear in Statement 3.4.

STATEMENT 3.4
Average Daily Earnings of Clerical and Watch and Ward Staff
 (December, 1959)

(In Rupees)

| Centre | | | | | Clerical and Related Workers (including supervisory staff) | Watch and Ward and Other Services |
|---------------------------|----|----|----|----|--|-----------------------------------|
| 1 | | | | | 2 | 3 |
| 1. 24-Parganas and Howrah | .. | .. | .. | .. | 4.65 | 3.00 |
| 2. Residual | .. | .. | .. | .. | 5.62 | 2.70 |
| 3. All-India | .. | .. | .. | .. | 5.17 | 2.84 |

It would be seen that Clerical Workers, like 'All Workers' and 'Production Workers', in the Residual Group were earning more than in '24-Parganas and Howrah' centre, the difference being of the order of about 21 per cent. Workers falling in the group 'Watch and Ward and Other Services', on the other hand, earned nearly 11 per cent. more in '24-Parganas and Howrah' centre. Workers employed in large factories earned more than those employed in small factories in both the strata.

3.4. Components of Earnings—

Data in respect of earnings collected during the course of the Survey reveal that the earnings of the workers primarily consisted of basic wages and dearness allowance. The incidence of other allowances was almost insignificant. The break-up of the total earnings, in respect of 'All Workers', is given in Statement 3.5.

STATEMENT 3.5
Estimated Average Daily Earnings by Components of 'All Workers' in the Metal Founding Industry
 (December, 1959)

(In Rupees)

| Centre | | | | Basic Earnings (Basic + D.A. or Consolidated) | Production/Incentive Bonus | Night Shift Allowance | House Rent Allowance |
|---------------------------|----|----|--|---|----------------------------|-----------------------|----------------------|
| 1 | | | | 2 | 3 | 4 | 5 |
| 1. 24-Parganas and Howrah | | | | 3.42 (97.4) | — | — | — |
| 2. Residual | .. | .. | | 3.75 (97.7) | 0.02 (0.5) | — | — |
| 3. All-India | .. | .. | | 3.58 (97.5) | 0.01 (0.3) | — | — |

| Centre | | | | Transport Allowance | Overtime Pay | Other Allowances | Money Value of Concessions in kind | Total |
|---------------------------|----|----|--|---------------------|---------------|------------------|------------------------------------|-------|
| 1 | | | | 6 | 7 | 8 | 9 | 10 |
| 1. 24-Parganas and Howrah | | | | * | 0.08 (2.3) | 0.01 (0.3) | — | 3.51 |
| 2. Residual | .. | .. | | 0.02 (0.5) | 0.04 (1.0) | 0.01 (0.3) | — | 3.84 |
| 3. All-India | .. | .. | | 0.01 (0.3) | 0.06 (1.6) | 0.01 (0.3) | — | 3.67 |

NOTE—Figures in brackets are percentages.

*Less than Re. 0.005.

3.4.1. *Basic Earnings*—

The term 'basic earnings' includes basic wages and dearness allowance wherever paid separately. This component alone accounted for about 98 per cent. of the total earnings of the workers in the Industry and its proportion was more or less the same in both the centres.

Dearness allowance in addition to basic wages was being paid in about 20 per cent. of the factories most of whom were large size establishments. It was observed that the practice of paying separate dearness allowance was more popular in '24-Parganas and Howrah' centre where approximately 34 per cent. of the factories were paying dearness allowance as against only about 13 per cent. in the Residual Group. In about 32 per cent. of the factories paying separate dearness allowance, it was being paid at a flat rate. It varied according to income slabs in about 27 per cent. of such establishments and was a fixed percentage of basic wages in another 29 per cent. In the remaining units (i.e., about 12%), all of which were located in the Residual Group, the dearness allowance had been linked to consumer price index numbers.

3.4.2. *Production/Incentive Bonus*—

The Survey results show that the practice of paying production/incentive bonus was not common in the Industry. Only one of the large units surveyed in the Residual Group was paying production bonus to workers employed in moulding shop. The rate of bonus varied according to the various items of production and was different for different occupations. It was payable when production exceeded a prefixed norm.

3.4.3. *Night Shift Allowance*—

None of the units surveyed and working night shift were paying any night shift allowance to their workers.

3.4.4. *House Rent Allowance*—

Excepting one small establishment in the Residual Group, no other unit surveyed was paying any house rent allowance to its employees. As such its impact on the average daily earnings of workers, at the Industry level, was negligible. The above-mentioned allowance in the unit was payable to all workers covered under the Factories Act provided they did not own a house within an area of three miles from the factory or were not occupying a house rented by the company for its employees. The amount of house rent allowance varied from Rs. 7.50 to Rs. 22.50 per month according to, *inter alia*, the earnings of the employees.

3.4.5. *Transport Allowance*—

Transport allowance was being paid in only two of the units surveyed. In one of these units, which happened to be a large factory in '24-Parganas and Howrah' centre, cycle allowance was being paid to only 'Watch and Ward Staff' who were sent out on duty, at the rate of Rs. 20 per month. In the other unit (a small one belonging to the Residual Group), all workers who were residing away from the place of duty, excepting 'Watch and Ward Staff' staying in the factory premises, were entitled to this allowance at a rate equal to the cost of railway pass from the place of duty to the station nearest to the employees' residence plus bus fare from the station to the residence and back.

3.4.6. *Overtime Pay*—

Earnings accruing on account of overtime work amounted to Re. 0.06 per day and were not significant at the Industry level. As Statement 3.5

shows, workers earned more on account of overtime in '24-Parganas and Howrah' centre than in the Residual Group of factories.

3.4.7. *Other Cash Allowances—*

Earnings due to allowances other than those discussed above amounted to Re. 0.01 per day only constituting a negligible percentage of the total earnings. These allowances were being paid in about 5 per cent. of the factories in the Industry though the nature of the allowance differed from unit to unit. For example, attendance bonus was being paid to 'Production Workers' in only one of the large factories in '24-Parganas and Howrah' centre at the rate of Re. 0.12 per attendance. Other allowances were such as tiffin allowance at the rate of Re. 0.12 per day to 'Watch and Ward Staff', milk allowance at the rate of Re. 0.50 to Rs. 1.25 per day to workers working on furnace, special allowance of Rs. 10 to Rs. 20 per month for apprentices, etc.

3.4.8. *Other concessions in kind—*

No concessions in kind were being enjoyed by workers in any of the factories surveyed.

3.5. *Bonuses—*

Information was also collected in respect of bonuses being paid to the workers in the Metal Founding Industry. Details appear below:

3.5.1. *Annual/year-end Bonus—*

The practice of paying annual or year-end bonus was prevalent in about 15 per cent. of the factories in the Industry. It would appear that the practice was more common in the Residual Group of factories of which about 21 per cent. were paying year-end bonus to their employees as against only about 5 per cent. in '24-Parganas and Howrah' centre. In about 17 per cent. of the factories paying bonus there were regular schemes governing the payments of bonus and, in the rest, (i.e., 83%) there were no such schemes and the payments were being made on an *ad hoc* basis from year to year. The bonus was being paid as a result of mutual agreements between the employers and employees in about 64 per cent. of the factories paying bonus, voluntarily by the managements in about 26 per cent. and on the basis of adjudication awards in the rest. Excepting a few units (5%) where bonus was being paid only to daily-rated workers, in all others all categories of workers were entitled to it. As regards the conditions for entitlement to bonus, generally those employees who had completed some specified period of service or had attained permanency, were entitled to receive bonus though in some units, no such conditions existed. The rate of payment varied from unit to unit and ranged between '15 days' to 1½ months' basic wages. Bonus was being paid in cash in all the units.

3.5.2. *Festival Bonus—*

The practice of paying festival bonus was found to be prevalent in nearly 20 per cent. of the metal founding factories in the country. The proportion of such factories was higher in '24-Parganas and Howrah' centre (about 38%) than in the Residual Group (about 9%). In nearly one-fifth of the factories paying festival bonus, all of which were located in '24-Parganas and Howrah' centre, the bonus was being paid regularly while, in the rest, the payment was being made on an *ad hoc* basis from year to year. In nearly 95 per cent. of the units paying festival bonus, the payment depended at the discretion of the management, while, in the remaining units, it was payable according to mutual agreements between the

employees and the managements. Generally the bonus was being paid to all categories of workers, though, in a few units, the payment was restricted to some specific categories of workers such as clerical and supervisory staff, etc. Usually only those employees who had completed some specified period of service, varying from one month to one year, were entitled to receive bonus. As regards the rate of payment, it varied between 6 days' to 2 months' basic wages in most of the units. However, there were cases where the bonus amount, termed as festival gift or award, ranged from Rs. 2 to Rs. 121 per worker. It was also observed that the bonus paid to clerical and supervisory staff was usually higher than that paid to 'Production Workers'. The bonus was being paid invariably in cash except in one of the units surveyed where, besides a cash bonus equivalent to 10 days' pay, each worker had been given a *dhoti* and a towel.

3.6. *Fines and Deductions—*

Survey results show that none of the units surveyed were imposing any fine on their workers. Deductions, wherever made, were in conformity with the provisions of the Payment of Wages Act.

CHAPTER IV

WORKING CONDITIONS

4.1. Shifts—

The Survey results show that nearly 86 per cent. of the metal founding factories in the country were working only one shift daily. Factories which worked two shifts daily constituted about 9 per cent. and the rest (i.e., 5%) were working three shifts daily. Details appear in Statement 4.1.

STATEMENT 4.1

Estimated Percentage Distribution of Metal Founding Factories According to Number of Shifts Worked, etc.

(1960-61)

| Centro | Total Number of Factories | Percentage of Factories working | | | |
|---------------------------|---------------------------------|---------------------------------|------------|--------------|-------------|
| | | One Shift | Two Shifts | Three Shifts | Night Shift |
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. 24-Parganas and Howrah | 121 | 92.4 | 2.5 | 5.1 | 5.1 |
| 2. Residual | 211 | 82.5 | 12.5 | 5.0 | 5.0 |
| 3. All-India | 332 | 86.1 | 8.9 | 5.0 | 5.0 |

The proportion of factories working more than one shift daily was higher in the Residual Group (about 18%) than in '24 Parganas and Howrah' centre. Night shift* was being worked in only those factories which had three shifts. Of the units having night shifts only one was supplying free tea to night-shift workers and such workers were also enjoying the benefit of reduced hours of work which were 7 as against $7\frac{1}{2}$ or 8 for day shift workers. No such amenity or concession was being allowed in any other factory. In approximately 50 per cent. of the factories having night shift, a regular system of transferring workers from day shift to night shift and *vice-versa* existed. The period after which such a changeover was being effected was a month in about 63 per cent. of the factories, all of which belonged to the Residual Group, and a week in the remaining (i.e. 37%) units which were located in '24-Parganas and Howrah' centre.

4.2. Hours of work—

Data collected show that in about 88 per cent. of the metal founding factories in the country, the hours of work, for a majority of the workers working in day shifts, were 8 per day. The weekly hours of work did not exceed 48 in any of the factories surveyed. In fact in about 11 per cent. they were less than 48 a week. Daily hours of work exceeded 8 in only about 8 per cent. of the factories† surveyed while, in the remaining factories (i.e., 4%), workers had a $7\frac{1}{2}$ -hour day. Details appear in Statement 4.2.

*For the purposes of the Survey, a night shift was treated as one whose majority of working hours fell between 10 P.M. to 6 A.M.

†In all such factories as also in a few others, Saturday was a half working day and, as such, the weekly hours of work in these factories did not exceed 48.

STATEMENT 4.2

Daily Hours of Work in Metal Founding Factories
(1960-61)

| Centre | Total Number of Fac- tories | Estimated Percentage of Factories where | | | | | |
|---------------------------|---|--|---------------|-----------------|------------------------|----------------|---------------|
| | | Daily Hours of work for majority of adult Workers were | | | Night-Shift Hours were | | |
| | | Equal to 7½ | Equal to 8 | More than 8* | Equal to 7 | Equal to 7½ | Equal to 8 |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1. 24 Parganas and Howrah | 121 | 6.8 | 70.9 | 22.3 | — | 50.0 | 50.0 |
| 2. Residual | 211 | 2.5 | 97.5 | — | 25.3 | 19.1 | 25.3 |
| 3. All-India | 332 | 4.1 | 87.8 | 8.1 | 16.0 | 49.6 | 34.4 |

*For only five days in a week, Saturday being a half working day.

As regards workers engaged through contractors, excepting a few factories where their daily hours of work were not fixed, in all others, they were working 8 hours per day.

The distribution of factories according to the duration of rest interval allowed to workers and the spread over of working hours is given in Statement 4.3.

STATEMENT 4.3

*Estimated Percentage Distribution of Factories According to Duration of
Spread over and Rest Intervals*
(1960-61)

| Centre | Total Number of Factories | Percentage of Factories where | | |
|---------------------------|------------------------------------|-------------------------------|---------------------|----------------------|
| | | Spread-over was | | |
| | | Less than 9 hours | Equal to 9 hours | More than 9 hours |
| 1 | 2 | 3 | 4 | 5 |
| 1. 24-Parganas and Howrah | 121 | 37.7 | 59.8 | 2.5 |
| 2. Residual | 211 | 35.1 | 54.9 | 10.0 |
| 3. All-India | 332 | 36.1 | 56.7 | 7.2 |

| Centre | Percentage of Factories where | | | Timings were not being observed |
|---------------------------|--------------------------------|-------------------------|---------------------|--|
| | Rest Interval was | | | |
| | Equal to $\frac{1}{2}$ hour | $\frac{1}{2}$ to 1 hour | More than 1 hour | |
| 1 | 6 | 7 | 8 | 9 |
| 1. 24-Parganas and Howrah | 55.7 | 44.3 | — | 16.1 |
| 2. Residual | 35.1 | 54.9 | 10.0 | 15.0 |
| 3. All-India | 42.6 | 51.1 | 6.3 | 15.4 |

Excepting one factory surveyed in '24-Parganas and Howrah' centre where workers* working during second and third shifts were not being allowed any rest interval, in all others rest interval of at least an hour to the workers was being allowed. The daily spread-over was up to 9 hours in nearly 93 per cent. of factories and more than 9 hours in the remaining units.

It was further observed, during the Survey, that in about 15 per cent. of the factories the prescribed timings of working hours were not being observed strictly.

4.3. *Dust and Fumes—*

The Survey results show that processes giving off considerable dust such as sand mixing, grinding, moulding, etc., were being carried on in about 32 per cent. of the metal founding factories. Approximately three-fourths of these units had adopted some precautionary measures to safeguard workers against dust hazard which were usually in the form of isolation of the dusty processes and/or suppression of dust by the use of water. Protective equipment such as dust masks had been provided in about 17 per cent. of the factories having dusty processes. In some of the factories workers engaged on dusty processes were found to have covered their mouth and nose with a piece of cloth.

Processes giving off fumes, vapours or gases such as welding and casting were being carried on in about 8 per cent. of the factories all of which happened to be in the Residual Group. Nearly half of such factories had not taken any precautionary measures while the remaining units had isolated those processes and, a few had also provided local exhaust ventilation. Some protective equipment such as welding mask, goggles and hand gloves had been provided in about 80 per cent. of the units having processes giving off fumes, vapours or gases.

As regards house-keeping in the departments where processes giving off dust, fumes, vapours or gases were being carried on, it was unsatisfactory in about 38 per cent. of the factories while, in the rest, it was satisfactory.

4.4. *Seating Arrangements—*

Under the Factories Act, 1948, the managements are required to make suitable arrangements for sitting for all such workers who are obliged to work in a standing position so that they may take advantage of any opportunity for rest which may occur in the course of work. This aspect was enquired into during the course of the Survey and it was found that of the factories where workers were required to work in a standing position, the seating arrangements existed in only about 20 per cent. The position in this regard was comparatively better in '24-Parganas and Howrah' centre where the proportion of factories providing seats was about 32 per cent. as against nearly 14 per cent. in the Residual Group. The managements, which had not provided seating arrangements, gave different reasons therefor such as lack of space, adverse effect on efficiency and production, existence of seating facilities in the canteen, etc.

*All these workers were piece-rated and engaged through contractors.

4.5. Conservancy—

It is obligatory for every factory to maintain adequate number of latrines and urinals of a prescribed standard for the use of workers. The Survey results show that excepting about 12 per cent. of factories in the Residual Group, all other factories had provided latrines for the use of their workers. Thus, it is estimated that, at the Industry level, the percentage of factories where latrines existed was nearly 92. The defaulting establishments were small factories. The latrines provided were of dry-type pan in about 56 per cent. of the factories, water-borne sewer in approximately 24 per cent., water-borne septic tanks in about 15 per cent. and dry-type bore hole, etc., in the remaining units (i.e., 5%). Excepting a few factories, everywhere privies were of a permanent structure with plastered or tarred walls, impervious floors and were properly screened to afford privacy. Water taps in or near the latrines, however, existed in only about 55 per cent. of the factories. Among the factories providing latrines and employing female workers, separate arrangements for them existed in nearly 25 per cent.

Urinals had been provided in about 93 per cent. of the factories in '24-Parganas and Howrah' centre and in approximately 64 per cent. in the Residual Group. Thus, at the Industry level, the proportion of these factories was about 75 per cent. In all but a few such factories, the construction of the urinals was of a permanent type with plastered walls. The floors of the urinals were invariably impervious. In approximately 80 per cent. of such establishments, urinals were properly screened. None of the factories providing urinals and employing female workers had made separate arrangements for their women employees, probably, because the number of women workers employed was very small.

4.6. Leave and Holidays—

Annual leave (i.e., earned leave) with pay is the only leave facility which is required to be granted by the employers to their employees as a statutory obligation under the Factories Act, 1948. All other types of leave facilities have come into vogue either as a result of mutual agreements between the employees and the employers or as a consequence of adjudication awards. Statement 4.4 shows the types of leave and holidays that the workers in the Metal Founding Industry were enjoying at the time of the Survey.

STATEMENT 4.4

Estimated Percentage Distribution of Metal Founding Factories Granting Various Types of Leave (1960-61)

| Centre | Total Number of Factories | Percentage of Factories Granting | | | |
|---------------------------|------------------------------------|----------------------------------|-----------------|---------------|---|
| | | Earned Leave | Casual Leave | Sick Leave | Festival and National Holidays |
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. 24-Parganas and Howrah | 121 | 80.3 | 5.1 | 5.1 | 100.0 |
| 2. Residual | 211 | 82.6 | 21.3 | 10.0 | 82.5 |
| 3. All-India | 332 | 81.7 | 15.4 | 8.2 | 88.9 |

4.6.1. *Earned Leave*—

It is estimated that nearly 82 per cent. of the factories in the country were granting earned leave to their employees at the time of the Survey. The compliance of the law was better in large factories as compared to smaller ones. However, it was observed that in some of the factories the employees were actually not allowed to enjoy leave but were being paid leave wages at the end of the year. As regards the period of leave, qualifying conditions and rate of payment, the managements generally followed the provision of the Factories Act. However, in some of the large factories, in both the centres, some categories of employees, such as administrative, executive and managerial, professional and technical personnel and clerical staff, enjoyed better benefits. They were usually entitled to 30 days' leave in a year with normal pay.

In order to assess the extent to which the workers had actually enjoyed the benefits of earned leave, during 1959, data were collected in respect of such workers during the course of the Survey. The findings appear in Statement 4.5.

STATEMENT 4.5

Estimated Proportion of Workers Granted Earned Leave with Pay (During 1959)

| Centre | | | | Estimated Average Daily Employment in 1959 | Number of Workers who Enjoyed Leave | Percentage of Workers who Enjoyed Leave to the Total Employed |
|---------------------------|--|--|--|--|---|---|
| 1 | | | | 2 | 3 | 4 |
| 1. 24-Parganas and Howrah | | | | 11,747 | 6,427 | 54.7 |
| 2. Residual | | | | 10,845 | 6,946 | 64.0 |
| 3. All-India | | | | 22,592 | 13,373 | 59.2 |

| Centre | | Percentage Distribution of Workers who Enjoyed Leave | | | | | | |
|---------------------------|--|--|----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------|
| | | Up to 5 days | Over 5 up to 10 days | Over 10 up to 15 days | Over 15 up to 20 days | Over 20 up to 25 days | Over 25 up to 30 days | Over 30 days |
| 1 | | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 1. 24-Parganas and Howrah | | 29.7 | 9.4 | 40.3 | 11.9 | 3.1 | 3.4 | 2.2 |
| 2. Residual | | 13.8 | 19.7 | 46.1 | 8.3 | 6.3 | 4.0 | 1.8 |
| 3. All-India | | 21.4 | 14.8 | 43.3 | 10.0 | 4.8 | 3.7 | 2.0 |

The Statement (4.5) shows that nearly 59 per cent. of the workers in the Industry availed of earned leave with pay during 1959. The proportion of such workers was higher in the Residual Group (about 64%) than in '24-Parganas and Howrah' centre, (about 55%). As regards the period of leave availed of, Statement 4.5 shows that, in both the centres, comparatively more workers enjoyed leave for a period of 'over 10 up to 15 days'. In the Industry, as a whole, the proportion of such workers was about 43 per cent.

4.6.2. *Casual Leave—*

Besides annual leave with wages, workers in about 15 per cent. of the factories in the country (Statement 4.4) were enjoying the benefit of casual leave with pay. In this matter, there was a significant difference between the two centres. As against about 21 per cent. of the factories in the Residual Group granting casual leave to their employees, the corresponding percentage in '24 Parganas and Howrah' centre was only about 5. It was generally noticed that casual leave benefit existed in proportionately more large factories than in smaller establishments. In about 68 per cent. of the units granting casual leave, all categories of workers were being allowed this facility while, in the rest, it was available to only some specific categories of employees such as clerical and related workers, etc. In nearly four fifths of the units granting casual leave, the facility was unconditional whereas, in the rest, it was admissible only on completion of some specified period of service (varying from 6 months to one year) or on attaining permanency.

In approximately 69 per cent. of the units granting casual leave, the number of days allowed in a year did not exceed 7. In another 10 per cent. of the units, where leave was admissible to supervisory staff only, the number of days allowed in a year was 15. In the remaining units (i.e., 21%), the period of leave was not fixed and could be granted for any number of days, at the discretion of the management. All employees availing themselves of casual leave were entitled to full basic wages plus dearness allowance or consolidated wages, as the case might be, for the leave period.

4.6.3. *Sick Leave—*

In areas where the Employees' State Insurance Scheme has been implemented, the benefit of sick leave with wages is ordinarily available to the employees under the Employees' State Insurance Scheme. During the course of the present Survey, information regarding sick leave was collected from those units only where the sick leave facility was being granted by the managements, irrespective of the fact whether they were covered under the Employees' State Insurance Scheme or not. As such, it is estimated that in only about 8 per cent. of metal founding factories in the country workers were enjoying the facility of sick leave with pay (Statement 4.4).

In about 58 per cent. of the units granting sick leave, the benefit was admissible to all categories of workers, while in the rest, only some specific categories such as professional, technical and related personnel and clerical staff, etc., were enjoying this facility. Nearly two-thirds of the units granting sick leave had not prescribed any condition for eligibility of leave, whereas of the remaining units, some were allowing it to those who completed at least one year's service and some others to their permanent employees. In all those units where leave was admissible to all categories of workers (i.e., about 58%), the number of days allowed in a year did not exceed 7. In other factories where only some specific categories of workers were enjoying this leave facility, the number of days allowed in a year was 15 days in some units and was not fixed in others, being at the discretion of the management. As regards payment for the period of leave, all units were paying full basic wages plus dearness allowance or consolidated wages, as the case might be.

4.6.4. *National and Festival Holidays—*

The practice of granting national and/or festival holidays with pay existed in all but nearly 17 per cent. of factories in the Residual Group (Statement 4.4). In about 88 per cent. of these units, such holidays were admissible to all categories of workers, whereas in the rest, only some categories, such as monthly-rated workers, clerical and supervisory staff, watch and ward staff, etc., were enjoying these holidays. About 36 per cent. of the units granting national and/or festival holidays had not prescribed any condition for eligibility; other factories insisted on such conditions as attendance on the preceding and/or the succeeding working day. As regards the number of days allowed, the practice varied from unit to unit. It was up to 5 days in about 35 per cent. of the factories, over 5 to 10 days in nearly 43 per cent., over 10 to 15 days in about 21 per cent. and over 15 days in the rest (i.e., 1%). All the factories were allowing full normal wages for these holidays.

4.7. *Weekly Offs—*

All the factories in the Industry were found to be complying with the provision of the Factories Act in regard to the granting of a weekly day of rest to their employees. As regards payments for such weekly offs, it was usually restricted to the monthly-rated staff presumably because the law has not made it obligatory to make payments for such weekly days of rest.

CHAPTER V

WELFARE AND AMENITIES

The human approach to the problems of industrial labour has been increasingly in evidence in all countries, including India, for the last few decades. Various committees or commissions appointed in India, from time to time, for enquiring into the conditions of industrial labour, have never failed to pin-point the urgency and utility of ameliorative measures in order to promote the welfare of workers. Government legislation has been quick in response and the various enactments passed thereby have gone a long way in improving such conditions. Besides facilities provided in compliance to the law, many welfare measures have been undertaken voluntarily by the employers for the benefit of their employees. During the present Survey, an attempt was made to assess the extent of welfare facilities being enjoyed by workers in the Metal Founding Industry. Information collected in respect of both obligatory and non-obligatory facilities, is presented in the following paragraphs.

5.1. *Drinking Water Factories*--

Suitable arrangements for the supply of drinking water were found to be existing in all the units surveyed. However, the type of facility provided varied widely. The most common arrangement was in the form of water-taps which existed in about 46 per cent. of the factories surveyed, in some of which, of course, besides water-tap, wells had also been provided. Other arrangements were in the form of earthen pitchers, tube wells, wells or hand pumps. Details appear in Statement 5.1.

STATEMENT 5.1
Drinking Water Facilities in Metal Founding Factories
(1960-61)

| Centre | Total Number of Factories | Estimated percentage of Factories where Drinking Water facility existed | Estimated Percentage of factories where water was supplied through | | | |
|------------------------------|------------------------------------|--|---|-----------------------|-----------------------------|--------------|
| | | | Refrigerators Water | Mechanical Coolers | Earthen Pitchers only | Taps only |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1. 24-Parganas and Howrah .. | 121 | 100.0 | — | — | 4.3 | 34.2 |
| 2. Residual | 211 | 100.0 | 1.3 | 2.5 | 28.7 | 30.0 |
| 3. All-India | 332 | 100.0 | 0.8 | 1.6 | 19.8 | 31.5 |

| Centre | Estimated percentage of factories where water was supplied through | | | | |
|---------------------------|--|-------|---------------|-----------------------|---|
| | Tube Wells or wells | Drums | Hand Pumps | Taps and others | Estimated Percentage of Factories making arrange- ments for supply of cool water in summer |
| 1 | 8 | 9 | 10 | 11 | 12 |
| 1. 24-Parganas and Howrah | 34.2 | 4.3 | .. | 23.0 | 14.4 |
| 2. Residual | 9.9 | 15.0 | 2.5 | 10.1 | 35.0 |
| 3. All-India | 18.8 | 11.1 | 1.6 | 14.8 | 27.5 |

The Factories Act, 1948, prohibits the location of any drinking water point within 20 feet of latrines and urinals. The Survey has shown that, excepting about 15 per cent. of the factories where drinking water points were situated within the prohibited distance, in all other units, the provision of the law had been complied with. The proportion of defaulting units, which were usually small establishments, was higher in the Residual Group (about 19%) than in '24-Parganas and Howrah' centre (about 9%). The Factories Act provides that every factory employing more than 250 workers should supply drinking water cooled by ice or other effective method during summer months. It is estimated that of nearly 5 per cent. of metal founding factories, under such an obligation, about two-thirds had actually provided this facility. However, some more units, though under no Statutory obligation, had also made the arrangements for supplying cooled water during summer and as such the proportion of units, where the arrangements actually existed in the Industry, was about 28 per cent. The position seemed to be better in the Residual Group where the corresponding percentage was about 35 as against about 14 for '24-Parganas and Howrah' centre. The arrangements were mostly in the form of earthen pitchers, though ice cooled water was also being supplied in a fairly large number of such units.

5.2. *Washing Facilities—*

Section 42 of the Factories Act provides that adequate and suitable facilities for washing should be provided and maintained for the use of workers in every factory. Information collected would show that nearly 55 per cent. of the factories had provided this facility. The proportion of such factories was higher in the Residual Group (about 66%) than in '24-Parganas and Howrah' centre (about 35%).

Washing facilities were generally in the form of taps on stand pipes and water stored in receptacles. In a few factories, taps or jets or wash basins with taps, etc., had been provided for the purpose. Cleansing material, usually soap, was being supplied to workers in about 64 per cent. of the factories.

Though about 9 per cent. of the factories, where the above arrangements existed, had employed female workers, none of them had provided separate washing facility for them probably because the number of women workers employed was very low.

5.3. *Bathing Facilities—*

It is estimated that about 19 per cent. of the metal founding factories in the country had provided bathing facilities. The proportion of such factories was higher in the Residual Group (about 22%) than in '24-Parganas and Howrah' centre (about 13%). Approximately 17 per cent. of the factories providing bathing facility were employing women but separate arrangement for them did not exist in any such factory.

5.4. *Canteens—*

The Factories Act, 1948, lays down that the State Governments may make rules requiring that in any specified factory, wherein more than 250 persons are ordinarily employed, an adequate canteen, according to the prescribed standards, should be provided for the use of workers. It is estimated on the basis of the Survey that only about 5 per cent. of the factories

in the Industry were under a statutory obligation to provide canteens and most of them (nearly 83%) had fulfilled their obligation. Besides, a few more factories (belonging to the Residual Group) which though were under no statutory obligation, yet had provided canteens. Thus, in the Industry as a whole, canteen facilities existed in nearly 9 per cent. of the factories. As between '24-Parganas and Howrah' centre and the Residual Group, the proportion of factories providing canteen was about 10 and 8 per cent. respectively. About 55 per cent. of the canteens served tea, coffee and snacks only, while the rest had made arrangements for the sale of meals as well. Drinking water facility within the canteen existed in about 71 per cent. of the canteens.

Nearly 73 per cent. of the canteens were being run by the contractors and the rest by the managements. Canteen managing committees had been constituted in about 37 per cent. of the canteens where they were responsible for fixing the prices of the various items sold. The prices were being fixed by the contractors themselves in about 45 per cent. of the canteens, by the managements in 9 per cent. and jointly by the management and the contractor in the rest (i.e., 9%).

In about 37 per cent. of the canteens, items were being sold at subsidised rates, in about 54 per cent. at market prices while in the remaining (i.e., 9%) the principle of no-profit-no-loss was being followed. Survey results show that price lists of various items sold were often not displayed in the canteen halls inasmuch as such lists could be seen displayed in only about 10 per cent. of the canteens. It has been estimated that nearly 47 per cent. of the workers employed in factories having canteens were visiting the canteens daily.

About 46 per cent. of the canteens were satisfactorily located inasmuch as their surroundings were clean and they were some distance away from the work places. Their hygienic conditions were also good or satisfactory. In the remaining 54 per cent. of canteens, the position was reported to be bad both in respect of location and hygienic conditions.

5.5. *Creches*—

The Factories Act, 1948, requires all factories employing more than 50 women workers to maintain a creche of a prescribed standard. It is estimated that nearly 10 per cent. of the metal founding factories were employing female workers but, since their employment did not exceed 50 in any of such units, they were neither under a statutory obligation to provide creches nor they had done so.

5.6. *Lockers*—

Locker facilities for keeping clothings of workers were found to be existing in only an insignificant percentage of the factories surveyed.

5.7. *Rest Shelters*—

Maintenance of rest shelters is obligatory under the Factories Act for every factory wherein more than 150 workers are ordinarily employed. However, if the factory is maintaining a canteen of the prescribed standard, the provision of a separate rest shelter is not binding. It is estimated that the provision of a rest shelter was obligatory in only a few factories which employed more than 150 workers but had not provided canteens. Of these, nearly one-third had actually provided rest shelters while the rest

maintained that some other places such as factory compound, etc., were being utilised for the purpose. However, in addition to the above, a few more units, though under no statutory obligation, had also provided rest shelters. Thus, rest shelters had been provided in nearly 5 per cent. of the units in the Industry. The proportion of such factories was comparatively higher in '24-Parganas and Howrah' centre than in the Residual Group.

Rest shelters wherever provided were not up to the mark. Either the building provided was not of the prescribed standard or they were not kept clean and tidy and had no provision for drinking water.

5.8. *Recreation Facilities—*

On the basis of information collected during the course of the Survey, it is estimated that arrangements for recreation of workers, such as indoor games, outdoor games, cultural programmes or programmes on festive occasions, etc., existed in about 19 per cent. of the units in the Industry. The proportion of such factories in '24-Parganas and Howrah' centre was somewhat higher (about 25%) than in the Residual Group (nearly 15%). The above-mentioned facilities were, however, usually restricted to some programme on festival occasions only and regular arrangements for indoor and/or outdoor games such as cards, chess, football and volley ball, etc., existed in just a few units surveyed.

In nearly 95 per cent. of the factories providing recreational facilities, the cost of such activities was being met by the managements while, in the rest, they were being financed jointly by the managements and the workers.

5.9. *Educational Facilities—*

None of the units surveyed had provided any educational facilities for the children of their employees. Arrangements for adult education also did not exist in any of the units surveyed.

5.10. *Medical Facilities—*

Except for first-aid boxes and ambulance rooms, the law does not require employers to provide any other medical facility. Survey results show that only two large factories, one each in '24-Parganas and Howrah' centre and the Residual Group, had provided dispensaries which were manned by part-time doctors and other staff like compounders and dressers, etc. In one of these units, the part-time doctor was available for 2 hours, or more if required, on alternate days and besides his normal duties, was attending to vaccination and inoculation of workers. In the other unit no hours were fixed for the part-time doctor who was available only in emergencies. In addition to the above-mentioned two units, approximately 11 per cent. of the factories surveyed had standing arrangements with private practitioners for the medical treatment of their workers in cases of need. Thus in the Industry, as a whole, arrangements for the medical treatment of workers existed in about 13 per cent. of the factories. It was further observed that in the factories providing medical facilities and employing contract labour, these facilities were available to such workers in the same way as to the workers employed direct.

5.10.1. *Ambulance Rooms—*

Under the Factories Acts, every factory employing more than 500 workers is required to provide and maintain an ambulance room. The rules framed by the State Governments prescribe the standard as well as equipment of such rooms. The survey has revealed that excepting 2 large factories surveyed in '24-Parganas and Howrah' centre, no other factory was

under a statutory obligation to provide an ambulance room. However, of the above two units, only one had provided an ambulance room which was under the charge of a whole-time doctor assisted by the necessary staff. The doctor, besides being incharge of the ambulance room, was attending to workers in the factory as well.

5.10.2. *First-aid*—

The Factories Act, 1948, lays down that every factory should maintain first-aid boxes at the rate of one for every 50 workers ordinarily employed. Such boxes must contain the prescribed items and should be readily accessible to workers during all the working hours. Survey results show that about 95 per cent. of the factories in the Industry had provided first-aid boxes. The compliance was better in the Residual Group where the proportion of such factories was about 98 per cent as against nearly 91 per cent. in '24-Parganas and Howrah' centre. The Factories Act also provides that all first-aid boxes must be kept under the charge of trained first-aiders. It was found, however, that only about 26 per cent. of the units having such boxes, had done so. The position was comparatively better in the Residual Group where the corresponding proportion was about 34 per cent. as against approximately 13 per cent. in '24-Parganas and Howrah' centre. As regards contents of the first-aid boxes, in only about 36 per cent. of the factories providing such boxes, the contents were found to be complete. The boxes in the other factories were found to be deficient in one or more items.

5.11. *Transport Facilities*—

Excepting two sampled factories, one each in the Residual Group and '24-Parganas and Howrah' centre, none of the other units surveyed had provided any transport facility to their workers. In one of the above-mentioned factories located in '24-Parganas and Howrah' centre, only 'Watch and Ward' staff were being paid Rs. 20 p.m. as cycle allowance for outside duty. In the other unit, all workers who were residing away from the factory, were being given the facility of free railway pass plus bus fare for the distance between the residence and the place of duty and back.

5.12. *Other Amenities*—

A grain shop existed in only one of the large factories surveyed in the Residual Group where the management was meeting the expenditure on the staff appointed for the purpose. Co-operative credit societies were functioning in only three large factories surveyed, one in '24-Parganas and Howrah' centre and two in the Residual Group. The main activity of these societies was to advance loans to their members on easy terms. Financial aid to societies by the management was being provided in only two of these units.

5.13. *Housing Facilities*—

It is estimated that, at the time of the Survey, housing accommodation to workers had been provided in only about 10 per cent. of the factories in the Industry though the proportion of workers housed varied from unit to unit. The proportion of factories providing housing accommodation was higher in '24-Parganas and Howrah' centre (about 21%) than in the Residual Group (about 4%). The details about the type of accommodation provided rent charged, etc., are presented in Statement 5.2. It would be seen from the Statement (5.2) that excepting for an insignificant number

STATEMENT 5.2

Estimated Percentage of Factories Providing Houses, Extent of Accommodation and Rent Charged

(1960-61)

| Centre | Total Number of Fac- tories | Percent- age of Factories Providing Houses | Percentage of Houses consisting of | | | Percent- age of Factories which charged rent |
|---------------------------|---|--|---------------------------------------|--------------|---------------------------|---|
| | | | One room | Two rooms | Three or more rooms | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1. 24-Parganas and Howrah | 121 | 21.3 | 97.5 | 2.5 | — | — |
| 2. Residual | 211 | 3.8 | 100.0 | — | — | — |
| 3. All-India | 332 | 10.1 | 98.1 | 1.9 | — | — |

of two-roomed houses provided by a few factories in '24-Parganas and Howrah' centre, the housing accommodation provided generally consisted of one-room tenements and accounted for about 98 per cent. of the total houses provided. Only about 56 per cent. of the houses were *pucca* built.

Housing accommodation had mostly been provided to 'Watch and Ward' staff and clerical workers. All the houses provided were rent free. It is estimated that, as on 31st December, 1959, of 30870* workers employed in the Industry, only about 755 workers (i.e., about 2%) had been provided houses by the employers. Details appear in Statement 5.3.

STATEMENT 5.3

Estimated Percentage of Workers Allotted Houses in the Metal Founding Industry

(1960-61)

| Centre | | | Total Number of Workers* Employed | Percentage of Workers allotted Houses |
|---------------------------|----|----|--------------------------------------|---|
| 1 | 2 | 3 | | |
| 1. 24-Parganas and Howrah | .. | .. | 17,532 | 3.8 |
| 2. Residual | .. | .. | 13,338 | 0.7 |
| 3. All-India | .. | .. | 30,870 | 2.4 |

*Covered under the Factories Act.

None of the units surveyed were providing any facility whatsoever to their employees for building houses.

CHAPTER VI

SOCIAL SECURITY

Till the attainment of Independence, workers employed in the Metal Founding Industry, like other industrial workers in the country, had security only against industrial accidents by virtue of the provisions of the Workmen's Compensation Act, 1923. Women workers, in addition, were entitled to maternity benefit under State laws. Largely as a result of statutory measures adopted by the Government of India, such as the Employees' State Insurance Act, 1948, and the Employees' Provident Funds Act, 1952, workers employed in the Metal Founding Industry now enjoy a fair measure of social security benefits. The following paragraphs describe the existing position in the Industry as revealed by the Survey.

6.1. *Provident Fund Schemes—*

The Employees' Provident Fund Scheme framed under the Employees' Provident Funds Act, 1952, was introduced in the Metal Founding Industry with effect from 1st November, 1952. The information collected during the course of the present Survey shows that, prior to the introduction of this obligatory Scheme, workers in only a few metal founding factories, located in '24-Parganas and Howrah' centre, were enjoying the benefit of provident fund. Subsequently, these units were either allowed to continue their schemes as exempted establishments or the existing schemes were replaced by the new Scheme. The situation existing at the time of the Survey would be clear from Statement 6.1.

STATEMENT 6.1

Estimated Proportion of Metal Founding Factories Having Provident Fund Schemes (1960-61)

| Centre | Total Number of Factories | Percentage of Factories Having Provident Fund Schemes | Percentage of Factories Having | | | Total Number of Workers* employed as on 31-12-59 | Percentage of Workers who were members of the Provident Fund Schemes as on 31-12-59 |
|----------------------------|---------------------------|---|--|------------------------------|------------------|--|---|
| | | | The Employees' Provident Fund Scheme, 1952 | Other Provident Fund Schemes | No Scheme at all | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1. 24-Parganas and Howrah. | 121 | 37.3 | 37.3 | — | 62.7 | 17,532 | 40.7 |
| 2. Residual .. | 211 | 22.7 | 22.7 | — | 77.3 | 13,338 | 38.5 |
| 3. All India .. | 332 | 28.0 | 28.0 | — | 72.0 | 30,870 | 39.7 |

*Covered under the Factories Act.

It will be seen that, during 1960-61, nearly 28 per cent. of the metal founding factories, most of which were of large size, were having provident fund scheme and about 40 per cent. of the workers in the Industry were enjoying the benefit of the same. The low percentage of factories having this facility in the Industry is apparently due to the fact that most of the factories in the Industry were employing less than 50 workers and the Employees' Provident Funds Act at the time* of the Survey applied only to

factories having fifty or more workers. Besides, some factories might not have completed three years of existence to come within the purview of the Act.

In all factories having provident funds, the scheme in force was the Employees' Provident Fund Scheme and consequently the scope of coverage, rate of contribution and the conditions of eligibility were the same as laid down in the Scheme.

6.2. *Pension Schemes—*

The Survey results show that in none of the units surveyed, there was any pension scheme for workers.

6.3. *Gratuity Schemes—*

Regular gratuity schemes, providing for payment of gratuity in the event of death, retirement, resignation or termination of service by employer (except dismissal), to all categories of workers, were in force in only three (or about 5%) of the units surveyed in the Residual Group. In all these units, gratuity was payable only on completion of at least 10 years' continuous service in the event of discharge and 15 years' continuous service in the event of retirement or resignation; no qualifying condition was prescribed in case of death. In two of these units, the rate of payment was 15 days' basic wages for each completed year of service subject to a maximum of $7\frac{1}{2}$ months' basic wages. In the third unit, the rate was half a month's basic wages for each completed year of service in case of retirement, resignation or discharge and in the event of death, it was $\frac{3}{4}$ ths of a month's basic wages for each year of service.

Besides the above-mentioned units, gratuity was payable on a limited scale in two more units, in '24-Parganas and Howrah' centre. In these establishments, only those employees who were in employment prior to the introduction of the provident fund scheme, when the practice of paying gratuity was discontinued, were entitled to receive gratuity. In both these units, gratuity was payable only for that period of service which had been rendered prior to the introduction of the provident fund scheme. The rate of gratuity in one of them, was 15 days' basic wages for each completed year of service, payable in the event of death and retirement only. In the other unit, gratuity in the event of death, retirement, resignation or discharge was payable only on completion of at least 20 years' continuous service, the rate of payment being $1\frac{1}{2}$ months' basic wages for each year of service. On the basis of the information collected during the Survey, it is estimated that only about 20 persons in the Industry received gratuity during 1959.

6.4. *Maternity Benefits—*

Information regarding maternity claims paid could be collected only from those sampled establishments which were located in areas where the Employees' State Insurance Scheme had not been implemented and the benefit was being paid by the employers under the Maternity Benefit Act in force in the concerned State. Information collected shows that not a single maternity claim had been made or paid by the employers in any of the units surveyed. This could be due to the fact that the Industry employed only a negligible number of women workers.

*All the factories which did not have provident fund schemes were surveyed before December, 1960, when the Employees' Provident Funds Act was extended to factories employing 20 or more workers.

6.5. Industrial Accidents—

The Workmen's Compensation Act, 1923 and the Employees' State Insurance Act, 1948, provide for payment of compensation to workers who are injured on account of accidents arising out of and in the course of employment. Since the scheme framed under the latter Act is being gradually extended to various industrial centres, in those units of Metal Founding Industry where the scheme had not been implemented, the workers were entitled to receive compensation directly from their employers under the Workmen's Compensation Act. During the present Survey, information in respect of number and nature of industrial accidents was collected from all the sampled factories whether covered or not under the Employees' State Insurance Scheme. On the whole, an estimated number of 2.1 thousand workers in the Industry were involved in accidents during 1959, which had occurred in about 24 per cent. of the factories. Perhaps a better picture can be had when the number of workers involved in accidents *vis-a-vis* the number of workers employed is taken into account. The rate of accidents per thousand workers, based on the estimate of average number employed during 1959, as also distribution of workers involved by nature of accidents, are given in Statement 6.2.

STATEMENT 6.2

Estimated Proportion of Workers Involved in Accidents by Nature of Accidents

(During 1959)

| Centro | Estimated Average Daily Employment in 1959 | Number of Workers involved in Accidents per 1000 Workers employed resulting in | | | |
|---------------------------|--|---|-------------------------|-------------------------|-------|
| | | Death | Permanent Disability | Temporary Disability | Total |
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. 24-Parganas and Howrah | 11,747 | — | — | 116.2 | 116.2 |
| 2. Residual | 10,845 | — | 0.8 | 70.0 | 70.8 |
| 3. All-India | 22,592 | — | 0.4 | 94.0 | 94.4 |

It will be seen from the Statement 6.2 that the rate of accidents in the Industry, as a whole, was about 94 per thousand workers employed. This rate was higher in '24-Parganas and Howrah' centre (about 116) than in the Residual Group (about 71). It was also found that accidents were more frequent in large factories. As regards the nature of accidents, none of the units surveyed reported any fatal accident. Excepting a few accidents in the Residual Group of factories which had resulted in permanent disabilities, in all other cases persons involved suffered only temporary disabilities. None of the units surveyed reported any occupational disease afflicting their workers.

CHAPTER VII INDUSTRIAL RELATIONS

7.1. *Industrial Disputes—*

Separate statistics relating to number and nature of industrial disputes in the Metal Founding Industry are not available and hence it is not possible to comment on them. However, in the course of the Survey, information was collected on certain other aspects of industrial relations and the arrangements existing in the establishments for promoting close contacts and cordial relations between workers and managements. The findings are discussed below.

7.2. *Trade Unionism—*

It is estimated that, in the Industry as a whole, workers were organised into trade unions in about 31 per cent. of the factories and nearly 36 per cent. of them were members of unions. Details appear in Statement 7.1.

STATEMENT 7.1

Estimated Percentage of Factories where Workers were Members of Trade Unions

(December, 1959)

| Centre | Total Number of Factories | Percentage of Factories where Workers were Members of Trade Unions | Total Number of Workers* as on 31-12-1959 | Percentage of Workers who were Members of Trade Unions | Percentage of Factories where Unions were recognised (of Col. 3) |
|---------------------------|---------------------------|--|---|--|--|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. 24-Parganas and Howrah | 121 | 29.7 | 17,532 | 31.8 | 57.3 |
| 2. Residual .. | 211 | 31.4 | 13,338 | 40.6 | 64.2 |
| 3. All-India .. | 332 | 30.8 | 30,870 | 35.6 | 61.8 |

*Covered under the Factories Act.

The above figures would show that trade unionism had developed more in factories in the Residual Group than in '24-Parganas and Howrah' centre. It was also noticed in the course of the Survey that every where workers were comparatively more organised in large factories than in smaller undertakings. Multiplicity of trade unions in the Industry was not much in evidence as excepting two large factories surveyed in the Residual Group which were having two unions each, in all other factories having trade unions, this number did not exceed one.

With the exception of about 3 per cent. of the unions functioning in some factories in '24-Parganas and Howrah' centre, all other unions were registered under the Indian Trade Union Act. The managements of nearly 62 per cent. of the factories having unions had accorded recognition to one or the other union functioning in their establishments. As regards activities of the trade unions, besides securing claims under the various labour laws, about one-fourth of them were providing some relief to their members in distress. Recreational and welfare facilities were being provided by only a few unions in the Residual Group of factories. Adult education had not attracted the attention of any of the unions functioning in the units surveyed.

7.3. *Collective Agreements—*

During the course of the Survey, information was collected in respect of collective agreements concluded since 1956 in the sampled establishments. It is estimated that such agreements, between the employers and employees, had been concluded in about 15 per cent. of the factories most of which were of large size. The proportion of such factories was higher in the Residual Group (about 18%) than in '24-Parganas and Howrah' centre (about 10%). The subject matter of these agreements related generally to the granting of leave and holidays with pay, increase in wages and dearness allowance, payment of bonus and gratuity which featured in about 52, 50, 37 and 41 per cent. of the agreements respectively. Others issues related to provident fund, retrenchment, etc.

7.4. *Standing Orders—*

Under the Industrial Employment (Standing Orders) Act, 1946, framing of Standing Orders for regulating the service conditions of the employees is obligatory for all those factories which employ 100 or more workers. The State Governments are, however, empowered to extend the scope of the Act to even those establishments which employ a smaller number of workers. Acts passed by some of the State Governments also contain provision for framing of Standing Orders.

It is estimated that only nearly 14 per cent. of the factories in the Industry were employing 100 or more workers and nearly 82 per cent. of them had framed Standing Orders. Compliance was better in '24-Parganas and Howrah' centre where the corresponding percentage was 89 as against 71 in the Residual Group. However, besides these establishments which were under a statutory obligation, some other factories had also framed Standing Orders. Thus, in the Industry as a whole, Standing Orders had been framed in about 16 per cent. of the factories, most of which were of large size. In all cases, the Standing Orders had been framed under the Industrial Employment (Standing Orders) Act, 1946. Nearly 85 per cent. of the Standing Orders in force were duly certified by the certifying authority. In about 84 per cent. of the factories having Standing Orders, such Orders covered not only 'Production Workers' but also clerical and watch and ward staff. In the remaining units, they related to production workers only.

7.5. *Labour and Welfare Officers—*

With a view to enabling employers to have better arrangements for personnel managements and to help them in ensuring proper implementation of labour laws, specific provision has been made in the Factories Act requiring all factories employing 500 or more workers to appoint a Welfare Officer. The rules framed by the State Governments under the Act prescribe the functions and duties of these officers.

It is estimated that only a few factories, both in '24-Parganas and Howrah' and the Residual centres, were under a statutory obligation to appoint Welfare Officers and all of them had fulfilled their obligation. Besides, a few factories in the Residual Group, though under no statutory obligation, had also appointed such officers.

The functions of the Welfare Officers were reportedly the same as prescribed under the Factories Act. Securing of redress of workers' grievances and maintaining of harmonious relations between the employees and employers was one of their most important functions. They were also advising managements in regard to matters connected with proper implementation

of labour laws. Organisation and supervision of labour welfare and recreational activities also formed part of their duties. Besides, in half of the factories, where Welfare Officers had been appointed, they appeared before tribunals etc., on behalf of the managements in cases of industrial disputes.

7.6. *Works/Joint Committees—*

With a view to providing a forum at the unit level for elimination of sources of friction through mutual discussion and consultation between the managements and their employees, the Industrial Disputes Act, 1947 empowers the appropriate Government to prescribe that Works Committee should be constituted in every industrial establishment employing 100 or more workers.

Information collected during the present Survey indicates that approximately 14 per cent. of the metal founding factories in the country were under a statutory obligation to constitute Works Committees. However, only about 38 per cent. of such factories had actually set up Works Committees. The compliance with the legal provision was a little better in '24-Parganas and Howrah' centre where the percentage of factories having constituted such Committees was about 44 as against nearly 29 in the Residual Group. Managements of most of the units which, though under an obligation, had not set up Works Committees, either indicated their ignorance of the legal provision or maintained that they were not convinced of the practical utility of such Committees. A few stated that the desired objectives of the Works Committees were being achieved through some other bodies functioning in the units such as Special Committee, Joint Council, etc. Excepting one of the units having Works Committees where the number of employees' representatives on the Works Committee was higher, in all other units, the employees and the employers were having equal representation. It was also observed that in about 35 per cent. of the units having Works Committees, not a single meeting had been held during 1959 while, in the rest, the number of meetings held varied from 3 to 9. Records of the meetings held indicated that day-to-day matters such as retrenchment, bonus, gradation of workers, grant of increments, number of paid holidays in a year, lay-off on rotation basis, provision of drinking water in canteen, etc., formed the usual items of agenda and the decisions taken were invariably implemented.

7.7. *Other Committees—*

A Special Committee was functioning in one of the units surveyed in '24-Parganas and Howrah' centre. It consisted of one representative each of the trade union functioning in the unit and the employer and dealt with all disputes between the workers and the management in the unit.

7.8. *Grievance Procedure—*

As stated elsewhere in this Chapter, about 16 per cent. of the factories in the Industry had framed Standing Orders and had, thus, a provision for the settlement of grievances of their employees. In the remaining units, no prescribed grievance procedure existed. The most common practice for the redress of employees' grievances in the Industry, particularly among small factories, was that the employees approached the proprietors who usually settled the matter on the spot. In a few factories, the trade unions were found settling their members' complaints with the managements.

7.9. *Association of Workers with the Management—*

The present Survey has shown that the practice of associating workers with the management existed in only one of the units surveyed where a Joint Council consisting of four representatives each of the workers and the management, had been constituted in 1958. The Council, which usually met every month, dealt with matters like (i) alteration in Standing Orders, (2) retrenchment, (3) rationalisation, (4) closure, (5) reduction or cessation of operations, (6) introduction of any new method, (7) procedure for punishment, (8) general economic condition of the concern, (9) state of market, (10) production and sales programmes, and (11) organisation and general running of undertaking, etc. Matters relating to bonus, wages and individual grievances were excluded from the purview of the Council as a principle but could be discussed, if necessary. As regards the achievements of the Council, in its short life of about one year (at the time of the Survey), besides settling many minor points, it could take credit for effecting an amicable settlement on the ticklish issue of bonus for the preceding two years about which conciliation proceedings had been going on.

CHAPTER VIII

LABOUR COST

Information pertaining to labour cost was collected from sampled establishments in respect of employees covered under the Factories Act and receiving less than Rs. 400 per month as wages. This was in pursuance of the decision taken by the Study Group on wage costs appointed by the Ministry of Labour and Employment in 1959. The enquiry relating to labour cost was modelled on the lines of the 'Study of Labour Costs in the European Industry', made by the International Labour Office in 1965, with such modifications as were considered necessary in the light of conditions obtaining in India. For instance, in view of the fact that wages in India are paid on the basis of days instead of hours, data were collected in respect of man-days instead of man-hours. Similarly, it was found in the course of the pilot enquiry that, except for a few establishments, separate records of payments made for leave or holidays or for days not worked, were not being maintained and hence these were dropped as separate items and included under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group referred to above, or to elicit separate information on some of the items on which employers have to incur expenses under labour laws in force in the country, e.g.,

lay-off, retrenchment compensation, etc.

The Survey started in late December, 1959, and ended in June, 1961. With a view to maintaining comparability of data and ensuring uniformity, it was decided to collect information for the year 1959. If, however, the financial year of the establishment did not coincide with the calendar year and it was not feasible to collect information for the year 1959, the field staff were asked to collect the data for the latest period of 12 months for which information was available, subject to the condition that a major portion of the year 1959 was covered. The available data show that, except for very negligible number of units, it was possible to collect the information from all the units either for the calendar year 1959 or for a major portion thereof.

8.1. *Labour Cost Per Man-day Worked—*

Data in respect of man-days worked and the corresponding wages and other earnings of the workers, were collected for the above-mentioned period. Further, expenditure incurred by the employers on various welfare and social security measures, subsidy services, etc., representing the cost incurred by the employers on labour was also recorded in the course of the Survey. Based on the above, the average labour cost per man-day has been estimated at Rs. 4.27 for the Industry as a whole; it was somewhat higher in the Residual Group (Rs. 4.47) than in '24-Parganas and Howrah' centre (Rs. 4.09).

8.2. *Components of Labour Cost—*

The analysis of the labour cost shows that its main component was wages. Statement 8.1 presents the various components of labour cost per man-day worked.

STATEMENT 8.1

Estimated Labour Cost Per Man-day Worked by Main Components
(1959)

(In Rupees)

| Centre | Wages | Premium Pay for Overtime and Late Shifts | Bonuses | Other Cash payments | Payments in kind |
|---------------------------|-----------------|--|----------------|---------------------------|---------------------|
| 1 | 2 | 3 | 4 | 5 | 6 |
| 1. 24-Parganas and Howrah | 3.56 (87.04) | 0.08 (1.96) | 0.13 (3.18) | 0.05 (1.22) | — |
| 2. Residual | 4.08 (91.28) | 0.01 (0.22) | 0.11 (2.46) | 0.02 (0.45) | * |
| 3. All-India | 3.82 (89.46) | 0.04 (0.94) | 0.12 (2.81) | 0.03 (0.70) | * |

| Centre | Social Security Contributions | | Subsidies | Direct Benefits | Other Payments | Total |
|---------------------------|----------------------------------|--------------------|----------------|--------------------|-------------------|------------------|
| | Obligatory | Non- obligatory | | | | |
| 1 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1. 24-Parganas and Howrah | 0.23 (5.63) | * | 0.02 (0.49) | — | 0.02 (0.48) | 4.09 (100.00) |
| 2. Residual | 0.17 (3.80) | — | 0.05 (1.12) | * | 0.03 (0.67) | 4.47 (100.00) |
| 3. All-India | 0.20 (4.68) | * | 0.03 (0.70) | * | 0.03 (0.71) | 4.27 (100.00) |

*Less than Re. 0.005.

NOTE—Figures within brackets are percentages.

8.2.1. *Wages*—

This component comprised basic wages, dearness allowance, incentive or production bonus and attendance bonus. Since most of the establishments did not maintain separate records of payments made for the days actually worked and for leave and holiday periods, the amount of 'wages' include sums paid for the days worked as well as for the days not worked but paid.

It will be seen from Statement 8.2 that 'wages' alone accounted for about 89 per cent. of the total labour cost in the Industry. This percentage was slightly higher in the Residual Group (about 91%), than in '24-Parganas and Howrah' centre (87%).

Further break-up of 'wages' into various sub-groups viz., basic earnings, incentive or production bonus and attendance bonus is given in Statement 8.2.

STATEMENT 8.2
Estimated Break-up of Wage Cost by Components .
(1959)

| (In Rupees) | | | | |
|---------------------------|--|-----------------------------------|---------------------|------------------|
| Centre | Basic Wages and Dearness Allowance | Incentive/ Production Bonus | Attendance Bonus | Total |
| 1 | 2 | 3 | 4 | 5 |
| 1. 24-Parganas and Howrah | 3.54 (99.44) | 0.02 (0.56) | * | 3.56 (100.00) |
| 2. Residual | 4.05 (99.26) | 0.03 (0.74) | — | 4.08 (100.00) |
| 3. All-India | 3.79 (99.21) | 0.03 (0.79) | * | 3.82 (100.00) |

* Less than Re. 0.005

NOTE—*Figures within brackets are percentages.*

It is evident from the Statement 8.2 that, virtually, the entire 'wage cost' consisted of basic wages and dearness allowance or of consolidated wages where dearness allowance was not being paid separately. Cost on account of incentive or production bonus was being incurred by a few factories only and constituted a very small proportion of the total 'wage cost'. Similarly attendance bonus, being paid by one of the small factories surveyed in '24-Parganas and Howrah' centre, accounted for a negligible proportion.

8.2.2. Premium Pay for Overtime and Late Shifts—

Under this group, the premium part of the pay for overtime, late shifts and work on holidays was recorded. This was represented by an amount received by the workers in addition to their normal pay. That is, if workers were paid one and a half times their normal rates of wages for the overtime work, the extra amount paid to them, i.e. one half, was recorded against this item.

From the figures given in Statement 8.1, it would be seen that the cost on account of this item was not much and formed a very small proportion of the total labour cost. Its proportion was comparatively higher in '24-Parganas and Howrah' centre than in the Residual Group.

8.2.3. Bonuses—

Under this group, data were recorded in respect of payments made in the shape of festival bonus, year-end bonus, profit-sharing bonus and other similar types of bonuses paid each year to the employees. It would be seen from Statement 8.1 that payments made on account of these bonuses did not contribute much to the total labour cost and accounted for a very small proportion of it. This proportion was comparatively higher in '24-Parganas and Howrah' centre than in the Residual Group.

Further break-up of the bonus payments shows that about two-thirds of the total cost on account of this item was in respect of year-end/annual bonus and the rest related to festival bonus.

8.2.4. Other Cash Payments—

The main items to which these expenses related were house rent allowance, transport allowance, milk allowance and certain *ex-gratia* payments. The combined cost on account of all these payments is estimated at Re. 0.03 per man-day worked.

8.2.5. Payments in kind—

Payments in kind related to items such as distribution of sweets on certain occasions, etc., in certain units. The cost per man-day on account of this item was quite negligible.

8.2.6. Social Security Contributions—

Information in respect of this component of labour cost was collected under two heads: (a) obligatory—i.e., those expenses which the employers were required to incur in compliance with certain labour laws, and (b) non-obligatory—i.e., those expenses relating to social security which the employers were incurring on a voluntary basis. The combined cost on account of this component is estimated at Re. 0.20 per man-day or about 5 per cent. of the total labour cost. Almost the entire expenditure under this item was in respect of obligatory social security contributions. The negligible amount spent on non-obligatory social security measures was in the form of gratuity payments made by a few factories in '24-Parganas and Howrah' centre. The estimated cost on account of various items comprising obligatory social security contributions, is given in Statement 8.3.

STATEMENT 8.3

Estimated Cost of Social Security Contributions Per Man-day Worked (1959)

(In Rupees)

| Centre | Provident Fund | Obligatory | | | | |
|---------------------------|-----------------|---------------------------|--------------------------|---|-------------------|-----------------------|
| | | Retrenchment Compensation | Compensation for lay off | Em- ployees' State Insurance Contributions | Compensation for | |
| | | | | | Employment Injury | Occupational Diseases |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 1. 24-Parganas and Howrah | 0.17 (73.91) | 0.01 (4.35) | * | 0.05 (21.74) | — | — |
| 2. Residual | 0.13 (76.47) | * | * | 0.04 (23.53) | * | — |
| 3. All-India | 0.15 (75.00) | * | * | 0.05 (25.00) | * | — |

| Centre | Obligatory | | | | Non-obligatory | Total for Obligatory and Non-obligatory Contributions | Percentage of Social Security Contributions to the total labour cost |
|---------------------------|--------------------|----------------------|--------|------------------|----------------|---|--|
| | Maternity-Benefits | Dependents Allowance | Others | Total | | | |
| 1 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 1. 24-Parganas and Howrah | — | — | — | 0.23 (100.00) | * | 0.23 | 5.63 |
| 2. Residual | — | — | — | 0.17 (100.00) | — | 0.17 | 3.80 |
| 3. All-India | — | — | — | 0.20 (100.00) | * | 0.20 | 4.68 |

* Less than Re. 0.005.

NOTE—Figures within brackets are percentages.

It will be seen from the Statement (8.3) that the cost to the employers on account of obligatory social security contributions consisted mainly of

provident fund contributions which alone accounted for about 75 per cent. of the total cost on this item. The rest (i.e., 25%) represented contributions made by the employers on account of the Employees' State Insurance Scheme. Other payments formed a negligible portion of the labour cost on account of obligatory social security contributions.

8.2.7. Subsidies—

Cost to employers for providing certain facilities and services to the workers and their families was collected under this head. The facilities listed were: Medical and Health Care, Canteens, Restaurants and Other Food Services, Company Housing, Building Funds, Credit Unions and Other Financial Aid Services, Creches, Educational Services, Cultural Services (e.g., Library, Reading Rooms, etc.), Recreation Services (Clubs, Sports, Theatres, Cinemas, etc.) Transport, Sanitation (at work places), Drinking Water Facilities, Vacation Homes, etc. The amounts recorded included depreciation but excluded any capital expenditure. In the course of the pilot enquiry, it was noticed that, in most of the cases, employers either did not maintain any records separately for the above-mentioned items or expenses related not only to persons falling within the scope of the study but also to others. Hence, the field staff were asked to obtain estimates, wherever such statistics were not available separately, for the above-mentioned items, and/or for the employees covered by the study only. In the latter case, estimates were made on the basis of the proportion that employees coming under the scope of the study formed to the total employees. Statement 8.1 gives details in respect of the cost on subsidies incurred by the employers.

STATEMENT 8.4

Estimated Cost of Subsidies Per Man-day Worked in the Metal Founding Industry (1959)

| (In Rupees) | | | | | | | |
|---------------------------|-------------------------|-----------------|------------------------------------|-----------------|---------------------|---------------|-----------------------|
| Centre | Medical and Health Care | Canteen | Restaurant and other Food Services | Company Housing | Credit Unions, etc. | Building Fund | Recreational Services |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 1. 24-Parganas and Howrah | 0.01 (50.00) | * | — | * | — | — | * |
| 2. Residual .. | * | 0.01 (20.00) | — | * | 0.01 (20.00) | — | * |
| 3. All-India .. | 0.01 (33.33) | 0.01 (33.33) | — | * | * | — | * |

| Centre | Transport | Sanitation | Drinking Water | Educational Services | Cultural Services | Others | Total | Percentage of Subsidies to total Labour Cost |
|------------------------------|-----------|-----------------|-----------------|----------------------|-------------------|--------|------------------|--|
| 1 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 1. 24-Parganas and Howrah .. | * | 0.01 (50.00) | * | — | — | — | 0.00 (100.00) | 0.49 |
| 2. Residual .. | — | 0.02 (40.00) | 0.01 (20.00) | — | * | * | 0.05 (100.00) | 1.12 |
| 3. All-India .. | * | 0.01 (33.34) | * | — | * | * | 0.03 (100.00) | 0.70 |

*Less than Re. 0.005.

NOTE—Figures within brackets are percentages.

The cost of subsidies is estimated at Re. 0.03 per man-day worked and formed a negligible proportion of the total labour cost. The main items of expenditure under this head were Medical and Health Care, Canteens and Sanitation, each accounting for nearly a third of the total cost on subsidies. Expenses incurred on other items, such as Company Housing Credit Unions, Recreational Services, Transport, Drinking Water and Cultural Services, etc., were insignificant. Data collected have revealed that a little more was spent on subsidies in the Residual Group of factories than in '24-Parganas and Howrah' centre.

CHAPTER IX

SUMMARY OF CONCLUSIONS

The Metal Founding Industry, both in the field of ferrous and non-ferrous castings, is one of the most important basic engineering industries in the country. Though it is one of the country's oldest industries, it could stabilise itself only during the World War II when the restrictions on imports and the additional demands generated by the War created favourable conditions for its development. The post-war period has witnessed the Industry making rapid strides and, by 1951, there were about 347 metal founding Factories* providing employment to nearly 20,800 workers. The planned era has further helped its expansion and growth and, by 1961 there were as many as 540 factories* employing about 40,757 workers. The Industry is mainly localised in the State of West Bengal which alone accounts for about 35 per cent. of the total factories and nearly 58 per cent. of the total employment in the Industry. On the basis of the present Survey, it is estimated that, as on 31st December, 1959, the Industry employed about 31,350 workers. Nearly 88 per cent. of the employees were 'Production and Related Workers' (including supervisors) and the rest were persons belonging to other categories.

The Survey has further revealed that the working force in the Industry consisted mainly of men. Child labour was totally absent and women constituted a negligible proportion. Majority of the workers (71%) were being paid on time-rate basis and the rest (i.e., 29%) were piece-rated.

About 13 per cent. of the factories employed some of their workers through contractors who constituted about 23 per cent. of the total 'Production Workers' in the Industry.

Nearly 68 per cent. of the 'Production Workers' employed direct were permanent, 22 per cent. temporary and the rest were probationers, casual workers and apprentices. Distribution of directly employed 'Production Workers' according to their length of service shows that nearly 31 per cent. of them had put in less than one year's service, about 40 per cent. between one to five years', about 17 per cent. between five to ten years' and the rest (i.e., 12%) had more than 10 years' service to their credit.

During 1959, the average absenteeism rate among 'Production Workers' was about 13 per cent. The rate was highest in May (17%) and lowest in January (10%). The monthly variations in the absenteeism rate were, as usual, due to such factors as harvesting, sowing marriages and other social or religious functions. Data on labour turnover indicate that both accession and separation rates in the Industry were not very high, being of the order of about 5 per cent. each. These rates in '24-Parganas and Howrah' centre were nearly half of those in the Residual Group suggesting a better stability of working force in the former stratum.

Nearly 26 per cent. of the factories provided training facilities. The Proportion of such factories was higher in Residual Group.

* Registered under the Factories Act.

Data collected in respect of wage revisions which took place during the period 1956-60, indicate that, in about 18 per cent. of the factories, one or more wage revision had been effected during this period. In most of these factories (72%), only one wage revision had taken place.

The pay period for a majority of workers (66%) was a month. It was a week for about 32 per cent., including a few workers who received their earnings after every 10 days, and a fortnight for the rest (i.e., 2%).

The average daily earnings of 'All Workers' in the Industry were about Rs. 3.67 during December, 1959. 'Production and Related Workers' earned, on an average, nearly Rs. 3.49 per day, 'Clerical Workers' Rs. 5.17 per day, and 'Watch and Ward' staff Rs. 2.84 per day. The average daily earnings of the lowest-paid 'Production Workers' were Rs. 2.58 per day and compared well with those of all 'Production Workers'.

The practice of paying a separate dearness allowance was prevalent in about 20 per cent. of the factories, most of which were large establishments. The proportion of such factories was higher in '24-Parganas and Howrah' centre, than in the Residual Group. Dearness allowance was linked to Consumer Price Index Number in only about 12 per cent. of these factories. Basic wages and dearness allowance accounted for about 98 per cent. of the total earnings. The other components were overtime pay, house rent allowance, etc.

The practice of paying annual bonus existed in about 15 per cent. of the factories in the Industry. The practice was more common in the Residual Group of factories than in '24-Parganas and Howrah'. In most of the cases, bonus was being paid on an *ad hoc* basis from year to year and the rate varied from unit to unit. Festival bonus was being paid by about 20 per cent. of metal founding factories in the country. The proportion of such factories was higher in '24-Parganas and Howrah' centre than in the Residual Group. Usually, there were no regular schemes and payments were made only on an *ad hoc* basis from year to year.

Nearly 86 per cent. of the factories were working a single shift daily, about 9 per cent. two shifts and the rest were working three shifts daily. Night shifts were being worked in those factories only which had three shifts. In most of the units having night shifts, the night-shift workers were not being provided with any amenity but were being allowed change-over to day shifts on a rotation basis.

Most of the factories (88%) were working 8 hours per day. Weekly hours of work did not exceed 48 in any of the factories surveyed and were, in fact, equal to 48 in about 89 per cent. of the factories and less than 48 in the rest. Rest interval of at least half an hour was being allowed in all the factories, excepting a few piece-rated workers engaged through contractors in one of the factories surveyed, who were not being allowed any rest interval.

In regard to such basic necessities as latrines and urinals, the position was found to be more or less satisfactory as the percentage of factories where these facilities existed was about 92 and 75 respectively.

Earned leave, according to the provision of the Factories Act, was being allowed to employees in about 82 per cent. of the factories. The defaulters were generally small establishments. It is estimated that about 59 per cent. of the workers availed of earned leave during 1959. The practice of granting casual leave and sick leave existed in about 15 and 8 per cent. of the factories respectively. National and/or festival holidays were being allowed to workers in about 89 per cent. of the factories. In about 78 per cent. of these factories, the number of holidays allowed in a year did not exceed 10. All factories surveyed were found to be complying with the provision of the law in regard to the granting of weekly off to their employees.

Suitable arrangements for the supply of drinking water were found to be existing in all the factories surveyed and cooled water during summer months was being supplied in about two-thirds of the factories required to do so and in about 28 per cent. of the factories in the Industry. Washing facilities were found to have been provided in about 55 per cent. of the factories. Of these, about 64 per cent. were providing some cleansing material such as soap, etc. Bathing facilities were also available in nearly 19 per cent. of the factories in the Industry.

Most of the factories required to provide canteens had done so. Besides tea, coffee and snacks, meals were also being served in about 45 per cent. of these canteens. In approximately 37 per cent. of the canteens, articles were being sold at subsidised rates. Data collected show that canteens were quite popular among workers. Of the factories required to provide rest shelters, only about 35 per cent. had done so.

Arrangements for recreation of workers, mostly in the form of some programmes on festive occasions, existed in only about 19 per cent. of the factories in the Industry. The cost was generally being met by the managements.

Dispensaries, manned by part-time doctors and other staff were being run in only two of the units surveyed. Besides, about 11 per cent. of the units had some standing arrangements with private practitioners for the medical treatment of their workers. Thus, in the Industry, as a whole, arrangements for the medical treatment of workers existed in about 13 per cent. of the factories. Though nearly all factories maintained first-aid boxes, they were under the charge of trained first-aiders in only about 26 per cent. and contained all the prescribed items in nearly 36 per cent. of the factories.

Not much attention seems to have been paid by the Industry to the problem of providing residential accommodation for its employees since only about 10 per cent. of the factories had provided housing facility to some of their employees and the proportion of workers housed in the Industry was only 2 per cent. Almost all the houses provided were one-room tenements and were rent free.

The Employees' Provident Fund Scheme was in force in about 28 per cent. of metal founding factories and nearly 40 per cent. of the workers in the Industry were members of the Scheme as on 31st December, 1959. Gratuity to workers in the event of death, retirement, resignation, etc., was being paid in only a few factories. The rate of payment was generally 15 day's basic wages for each completed year of service.

It is estimated that, during 1959, the frequency rate of accidents per thousand workers employed in the Industry was about 94. Most of the workers involved in accidents suffered only temporary disabilities.

Trade unions existed in about 31 per cent. of the factories and nearly 36 per cent. of the workers were members of these unions. Trade unionism had developed more in large factories than in the small ones.

Collective agreements, since 1956, had been concluded in approximately 15 per cent. of the factories most of which were of large size. The most common issues settled in these agreements related to leave and holidays with pay, increase in wages, bonus and gratuity. Standing Orders for regulating service conditions had been framed in about 82 per cent. of the factories employing 100 or more workers and in nearly 16 per cent. of the factories in the Industry as a whole. In most of the cases, the Standing Orders covered not only 'Production Workers' but clerical and watch and ward staff also. All the factories required to appoint welfare officers had done so. Works Committees had been constituted in only about 38 per cent. of the factories which were under a statutory obligation to do so.

In units where the Standing Orders had been framed (i.e., 16%), workers' day to day grievances were being attended to under the provisions of these Orders. The most common practice in the Industry, particularly in small factories was that the aggrieved workers sought redress direct from the proprietors.

Data pertaining to labour cost, collected in respect of workers receiving less than Rs. 400 per month, show that, in 1959, the cost per man-day worked in the Industry was Rs. 4.27. Wages element, i.e., basic wages, dearness allowance and incentive/production bonus, alone accounted for about 89 per cent. of the total labour cost, other important elements being social security contributions (4.7%) and bonuses (28%). Other components of the labour cost were premium pay for overtime and late shifts, subsidies, i.e., certain facilities and services provided to workers and their families, and other cash payments.

APPENDIX

A BRIEF NOTE ON THE SAMPLE DESIGN AND THE METHOD OF ESTIMATION ADOPTED

1. *Sample Design—*

For the Survey of Labour Conditions a multi-stage sampling procedure with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified, and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Establishments in an industry/regional stratum were arranged in frequency distribution fashion with suitable class intervals and were divided into two size groups, large factories and small factories, on the basis of an optimum cut-off point derived for each industry/regional stratum. The optimum cut-off point was so derived that if all the establishments in the upper size group were included in the sample, the results obtained would yield an estimate of overall employment within 5 per cent. error at 95 per cent. confidence interval, and the sample size would be minimum. The optimum cut-off point varied from industry to industry, and between strata of an industry depending upon the number and the size of establishments.

However, considering the limited resources available for the Survey of Labour Conditions and the practicability, etc., it was thought that a sample of 25 per cent. from the upper size group and $12\frac{1}{2}$ per cent. from the lower size group would yield reliable results. However, the experience of earlier Surveys had shown that due to (i) non-availability of very recent frame, (ii) closures, and (iii) units changing their line of production considerable shrinkage had occurred to the desired sample size. Hence it was decided that for taking into account such closures etc., the required sample size should be increased to allow for the above-mentioned shrinkage in the sample size. Having thus increased the sample size, the units which were found to be closed or which had changed their line of production had been simply ignored and no substitution for such cases had been made.

Primary sampling units, namely, registered factories, mines or plantations within an industry/regional stratum, were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper size class and the rest in the lower size class. From these size groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected was the list of registered factories for the year 1958.

2. *Method of Estimation—*

In the course of the Survey various characteristics were studied, some of which were correlated with employment whereas there were others which were correlated not with employment but with the number of establishments. Consequently, two different methods were used for working out estimates.

For estimating the totals of those characteristics which are highly correlated with employment such as absenteeism, labour turnover, earnings, labour cost, etc., ratio of total employment was used as blowing up factor. For estimating the totals of those characteristics which are not correlated with employment such as, number of units providing certain welfare facilities, etc., ratio of units was used as blowing up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

In any stratum the estimate for the total of x-characteristic not correlated with employment is given by

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum X_{iu} + \frac{N_L - N'_L}{n_L - n'_L} \sum X_{iL} \dots\dots\dots 1$$

The summation extending over all the sampled units surveyed in the stratum.

- Where X = the estimated total of the x-characteristic for a particular stratum;
- N_u and N_L = the number of units in the original population as featuring in the 1958 list, which was used as frame in the upper and lower size groups respectively of the stratum concerned;
- N'_u and N'_L = the number of units which featured in the 1958 list but were not featuring in the latest available list nearest to the period of survey in the upper and lower size groups respectively of the stratum concerned;
- n_u and n_L = the total number of units in the sample (from 1958 list) in the upper and lower size groups respectively of the stratum concerned;
- n'_u and n'_L = the number of sampled units, which were found at the time of the survey to be closed or to have changed the line of production and hence left out in the upper and lower size groups respectively of the stratum concerned;
- X_{iu} and X_{iL} = the total number of x-characteristic in the i th sample unit of the upper and lower size groups respectively of the stratum concerned.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formula for each one of the strata of the industry.

In any stratum the estimate for the y-characteristic correlated with employment is given by

$$Y = \frac{E_{Nu} - N'_u}{E_{nu} - n'_u} \sum Y_{iu} + \frac{E_{NL} - N'_L}{E_{nL} - n'_L} \sum Y_{iL} \dots\dots\dots 2$$

The summation extending over all the sampled units surveyed in the stratum

- Where Y = the estimated total of the y-characteristic for a particular stratum.
- $E_{Nu} - N'_u$ and $E_{NL} - N'_L$ = the total employment in 1958 in the $N_u - N'_u$ and $N_L - N'_L$ units respectively.
- $E_{nu} - n'_u$ and $E_{nL} - n'_L$ = the total employment in 1958 in $n_u - n'_u$ and $n_L - n'_L$ sampled units respectively.
- Y_{iu} and Y_{iL} = the total number of Y-characteristic in the i th sample unit of the upper and lower size groups respectively of the stratum concerned.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formula for each one of the strata of an industry.

